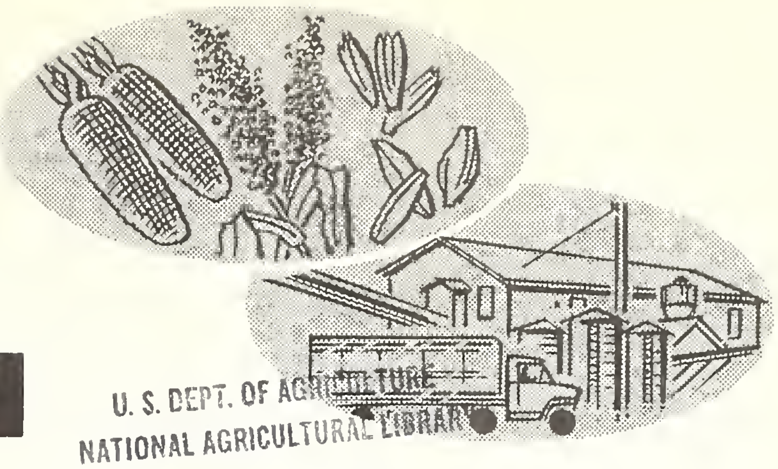
Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

1.941
S8F32
cop. 2

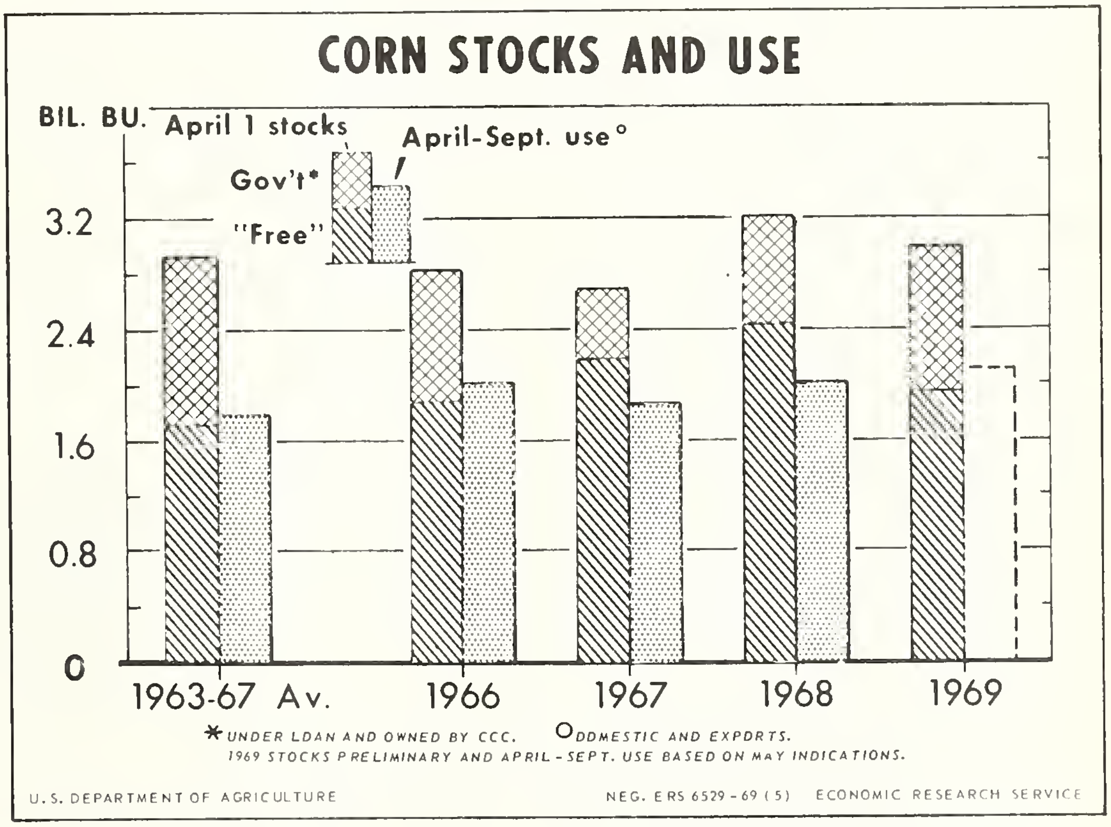


FEED SITUATION

U. S. DEPT. OF AGRICULTURE
NATIONAL AGRICULTURAL LIBRARY
JUN 24 1969
CURRENT SERIAL RECORDS

FdS-229 MAY 1969

Heavy domestic demand for corn in the first half of the marketing season reduced April 1 stocks to 3 billion bushels, 200 million below last year. A 500-million-bushel drop in "free" stocks more than offset a 300-million-bushel increase in Government stocks. "Free" stocks have been ample for April-September use in the past 2 years--but are expected to be below requirements this year. This tighter supply situation will lend support to prices, resulting in heavier withdrawal of corn from the loan program and leave a smaller "free" carryover on October 1.



*UNDER LOAN AND OWNED BY CCC. °DOMESTIC AND EXPORTS.
1969 STOCKS PRELIMINARY AND APRIL-SEPT. USE BASED ON MAY INDICATIONS.

U.S. DEPARTMENT OF AGRICULTURE NEG. ERS 6529-69 (5) ECONOMIC RESEARCH SERVICE

IN THIS ISSUE

Prospects for Feed Grain Utilization and Carryover

"Free" Corn and Prices

Published 5 times a year by
ECONOMIC RESEARCH SERVICE • U.S. DEPARTMENT OF AGRICULTURE

Table 1.--Statistical summary of prices, indexes and price ratios, recent years and months

Item	Unit	Season average		1968	1968/69			
		1966/67	1967/68	April	Jan.	Feb.	March	April
FEED GRAIN AND HAY PRICES								
Corn, No. 3 Yellow, Chicago	Dol. per bu.	1.36	1.12	1.13	1.18	1.16	1.15	1.20
Price received by farmers	do.	1.24	1.03	1.06	1.08	1.09	1.09	1.12
Oats, No. 1 White, Chicago	do.	.767	.766	.815	---	---	.687	.665
No. 2 White, Minneapolis	do.	.725	.702	.759	.704	.692	.661	.667
Price received by farmers	do.	.665	.659	.694	.625	.644	.621	.614
Barley, No. 3, Minneapolis	do.	1.32	1.24	1.23	1.19	1.18	1.17	1.17
Price received by farmers	do.	1.05	1.00	.963	.898	.909	.898	.922
Sorghum grain, No. 2 Yellow, Kansas City	Dol. per cwt.	2.09	1.99	2.07	1.96	1.95	1.94	1.98
Price received by farmers	do.	1.82	1.77	1.83	1.74	1.77	1.76	1.76
All hay, baled, price received by farmers	Dol. per ton	25.00	24.50	22.90	23.50	24.40	24.80	24.50
Alfalfa hay, baled, price received by farmers	do.	24.70	23.60	23.20	23.80	24.90	25.40	25.30
PROCESSED FEED PRICES, BULK								
Soybean meal, 44 pct., solvent, Decatur	Dol. per ton	78.80	76.90	74.60	69.80	69.90	72.60	73.30
50 pct., solvent, Decatur	do.	86.30	84.30	80.90	79.50	78.40	80.10	81.30
Cottonseed meal, 41 pct., expeller, Memphis	do.	77.50	77.60	77.00	68.40	64.60	62.50	61.70
Linseed meal, 34 pct., solvent, Minneapolis	do.	74.40	76.50	75.40	67.80	66.80	64.90	65.30
Peanut meal, 50 pct., S.E. mills	do.	82.50	81.10	78.80	87.80	84.10	77.60	75.30
Tankage digester, 60 pct., Chicago	do.	98.10	92.50	89.50	95.60	95.60	88.10	87.50
Meat meal, 50 pct., Chicago	do.	94.00	88.80	86.70	92.80	88.80	80.90	84.80
Fish meal, 60 pct., New York, (bagged)	do.	137.10	127.00	115.00	140.20	141.00	140.50	145.00
Gluten feed, 21 pct., Chicago	do.	50.10	44.90	43.20	50.00	48.50	43.50	42.00
Brewers' dried grains, 24 pct., Milwaukee	do.	50.70	45.90	42.80	53.50	55.20	43.00	39.70
Distillers' dried grains, 28 pct., Cincinnati	do.	64.50	52.70	52.30	57.00	57.80	55.50	47.20
Wheat bran, Minneapolis	do.	44.30	39.30	38.10	47.10	42.10	38.40	41.40
Buffalo	do.	48.40	42.20	42.60	50.10	46.10	41.20	44.20
Wheat middlings, Minneapolis	do.	45.30	39.80	38.10	47.80	42.50	38.70	41.90
Buffalo	do.	50.70	44.30	44.20	51.10	47.40	42.10	46.00
Hominy feed, Chicago	do.	46.00	39.00	39.10	44.60	45.40	40.80	41.00
Molasses blackstrap, New York	do.	30.83	27.93	27.53	21.40	21.40	22.70	23.10
Beet pulp (molasses), Los Angeles	do.	53.20	46.50	46.90	48.00	45.60	44.10	44.40
Alfalfa meal, 17 pct., dehydrated, Kansas City	do.	53.40	39.10	36.80	46.50	47.00	46.50	45.60
Tallow, inedible prime, Chicago	Cents per lb.	.055	.046	.048	.048	.049	.056	.060
Urea, 42 pct. N., Ft. Worth (bagged)*	Dol. per ton	N.A.	N.A.	N.A.	68.00	68.00	74.00	72.00
PRICES PAID BY FARMERS								
Soybean meal, 44 pct.	Dol. per cwt.	5.46	5.30	5.21	5.24	5.21	5.21	5.21
Cottonseed meal, 41 pct.	do.	5.36	5.28	5.25	5.04	5.03	5.01	5.00
Wheat bran	do.	3.65	3.49	3.52	3.59	3.64	3.59	3.62
Wheat middlings	do.	3.74	3.59	3.59	3.69	3.73	3.67	3.69
Broiler grower feed	Dol. per ton	95.00	89.00	89.00	88.00	88.00	89.00	90.00
Laying feed	do.	87.00	81.00	80.00	80.00	79.00	79.00	79.00
Dairy feed, 16 pct.	do.	76.00	72.00	72.00	72.00	72.00	72.00	71.00
Beef cattle feed, 30 pct. and over	Dol. per cwt.	4.94	4.77	4.82	4.64	4.68	4.69	4.65
Hog feed, over 29 pct.	do.	6.42	6.27	6.20	6.31	6.30	6.27	6.29
Alfalfa hay, baled	Dol. per ton	34.50	33.20	33.30	34.30	35.10	36.00	35.90
PRICE INDEXES (1957-59=100)								
Feed grains, prices received by farmers	Pct.	112	98	101	99	101	99	102
Eleven high-protein feeds, at principal markets	do.	135	130	126	124	122	122	122
Five oilseed meals	do.	141	138	134	128	126	128	129
Tankage, meat meal, and fish meal	do.	108	103	101	108	107	102	105
Gluten feed, brewers' dried grains, and distillers' dried grains	do.	126	114	110	121	121	113	110
Feed, prices paid by farmers	do.	108	102	103	102	102	102	103
LIVESTOCK AND POULTRY/FEED PRICE RATIOS 1/	Average (April)							
Hog/corn, Chicago 2/	1958-67=14.0	15.5	17.5	17.0	17.1	17.8	18.3	17.3
Hog/corn, U.S.	1958-67=14.9	15.9	17.9	17.5	17.2	18.0	18.3	17.5
Beef steer/corn, Chicago 3/	1958-67=21.0	19.2	24.5	24.3	24.7	25.0	26.2	25.8
Milk/feed, U.S.	1958-67= 1.35	1.55	1.66	1.60	1.78	1.74	1.72	1.68
Egg/feed, U.S.	1964-68= 7.7	7.8	7.8	7.2	10.8	9.8	10.0	9.2
Broiler/feed, U.S.	1964-68= 3.2	2.9	3.1	3.2	3.2	3.4	3.4	3.3
Turkey/feed, U.S.	1964-68= 4.8	4.6	4.4	4.3	4.7	4.5	4.5	4.6

1/ Units of corn or other concentrate ration equal in value to 100 pounds of hog or beef steer, one pound of chicken, milk, or one dozen eggs. 2/ Based on packer and shipper purchases of hogs and No. 3 Yellow corn. 3/ Based on price of beef steers all grades sold out of first hands for slaughter, and No. 3 Yellow corn. *Price series at Houston discontinued.

Prices compiled from Chicago Board of Trade, Minneapolis Daily Market Record, Kansas City Grain Market Review, National Provisioner, Feedstuffs, and reports of the Consumer and Marketing Service.

THE FEED SITUATION

Approved by the Outlook and Situation Board, May 19, 1969

Contents

	Page		Page
Summary	3	Government Programs	
Feed Stocks and Utilization		Signup	15-17
April 1 feed grain stocks	4-7	Price support activity	16-18
Feed grain utilization	7-9	Foreign Trade	
Wheat feeding	9	Exports	19-20
Concentrates fed to dairy cows	9-10	Argentine and South African corn supplies	21
All feed concentrate consumption	9-12	High-Protein Feeds	
Feed Grain Prices and Sales	12-15	Consumption	21-24
		Prices	24-25

"SPECIAL"

CORN--"FREE" SUPPLIES AND THEIR INFLUENCE ON PRICES (page 26-31)

SUMMARY*

Feed grain disappearance in the 1968/69 marketing year is expected to total around 5% above the 165 million tons of last year, with domestic use up 8% to 10% and exports down nearly a fourth. This would exceed 1968 production, and result in a moderate reduction in the prospective carryover from the 48 million tons at the beginning of the year.

Substantially increased domestic consumption of feed grains in October-March brought April 1 stocks to slightly below a year earlier. Heavy disappearance indicated liberal feeding of livestock in response to the very favorable price ratios so far this year. Sharply reduced exports were due both to the dock strike this past winter and a weaker European demand.

Consumption of all feed concentrates will likely reach a record high in 1968/69. Feeding per animal unit is now expected to slightly exceed the previous high rate of .95 ton in 1965/66. The number of grain-consuming animal units is estimated at 184 million, up 3% from last year. Total consumption for the year may rise to around 10% above the 162 million tons consumed in 1967/68.

Corn has accounted for much of the increased disappearance of feed grains this year. At 2.5 billion bushels during October-March, corn disappearance totaled 6% higher than a year earlier. Domestic use increased substantially, much more than offsetting a decline of 111 million bushels in exports. April 1 stocks were reduced to about 3 billion bushels, nearly 200 million below a year earlier.

"Free" stocks of corn were reduced to below 2.0 billion bushels, about 500 million less than the large volume of a year

---

* The summary of this report and a summary table were released to the press on May 19, 1969.

ago. "Free" stocks now appear to be well below prospective April-September requirements, which will make it necessary to withdraw stocks from the loan program or from CCC inventory. The carryover of corn next October 1 is now expected to be around 250 million bushels below the 1,162 million of last year. Much of the reduction will be in "free" stocks. April 1 stocks of the other 3 feed grains were above those of a year earlier and a larger carryover of these grains is in prospect.

Feed grain prices have increased more than seasonally since last fall, rising slightly above a year earlier in April. Smaller "free" stocks this season will continue to give strength to prices--especially for corn. Corn prices rose 16% from October to April, when the average price received by farmers was $1.12 a bushel, 6¢ higher than a year earlier and 7¢ above the loan rate. Corn prices are expected to continue firm this spring and summer in contrast to last year when large "free" stocks resulted in price weakness. However, the large quantity of corn under loan that farmers can redeem will limit further price increases. Farmers are holding a little over 700 million bushels of corn from the 1966-68 crops under loan which they can redeem by repaying the loan plus interest--or about $1.08 to $1.12 a bushel.

Demand for high-protein feeds also has been comparatively strong this year as October-March consumption of these feeds increased about 6% over a year earlier. High-protein feed prices averaged about the same during October-April this year as last. Lower oilseed meal prices have about offset higher prices of animal proteins. Soybean meal prices averaged close to $73 a ton at Decatur during October-April, down slightly. With the much larger 1968 cottonseed meal supply, the Memphis price has been down about 15% and much lower in relation to soybean meal than last year.

Farmers have signed up to divert 41.3 million acres from feed grains in 1969, about 7 million more than was signed for diversion in 1968 when barley was not included in the program. This exceeds the previous record signup of 36.7 million acres in 1965 when all 3 grains were in the program.

Farmers have placed over 17 million tons of 1968 feed grains under loan, a little above last year and the most since 1962. Increased price support activity this year together with larger old stocks held under the program brought April 1 Government stocks (under loan and owned by CCC) to 44 million tons, 13 million more than a year earlier. "Free" stocks, on the other hand, totaled 71 million, 14 million less than the very large "free" stocks of a year ago.

FEED GRAIN SUPPLIES AND UTILIZATION

April 1 Feed Grain Stocks Slightly Smaller Than a Year Ago

Combined stocks of the 4 feed grains were reported at 115 million tons on April 1, about 1% less than on that date last year. Since the beginning supply was larger, the decline reflects heavy domestic use so far this year that has more than offset much smaller exports. More significantly, "free" stocks on April 1 totaled only 71 million tons, 14 million less than a year earlier. While "free" supplies were down sharply, Government stocks totaled 44 million tons, up nearly 13 million.

"Free" stocks on April 1 in each of the past 2 years have been well above total disappearance in the remainder of the marketing year. This year, however, "free" stocks are below expected requirements. This will mean a much tighter supply situation this spring and summer and more corn will be withdrawn from loan or sold by CCC than in the same period of 1968. There also will be a much smaller "free" carryover.

Corn stocks on April 1 totaled 3,011 million bushels, nearly 200 million less than on that date last year. The reduction was the result of much heavier domestic use

Table 2.--Feed grain stocks: Government and "free", April 1, 1968 and 1969

Item	Corn		Grain sorghum		Oats		Barley		Total 4 feed grains	
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
	Million bushels								Million tons	
Under loan 1/										
Old grain resealed	223	445	26	55	27	43	7	32	7.6	15.5
Under price support from preceding crop 2/	400	368	50	61	29	76	35	86	13.9	15.3
Owned by CCC	137	257	192	192	45	46	6	7	10.1	13.5
Total Government 1/	760	1,070	268	308	101	165	48	125	31.6	44.3
"Free" 3/	2,445	1,941	249	235	344	382	170	152	85.0	70.6
Total U.S. stocks	3,205	3,011	517	543	445	547	218	277	116.6	114.9

1/ Based on reports of Agricultural Stabilization and Conservation Service. 2/ Total quantity placed under loan less repayments and deliveries to CCC through March 31. 3/ Residual; privately held stocks. (1969 data preliminary.)

Table 3.--Feed grain stocks: Government and "free", April 1, 1959-69

Stocks	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969 1/
	Million bushels										
	CORN										
Government 2/	1,565	1,780	2,134	1,863	1,704	1,566	1,327	981	534	760	1,070
"Free"	1,392	1,555	1,539	1,526	1,344	1,712	1,478	1,882	2,181	2,445	1,941
Total	2,957	3,335	3,673	3,389	3,048	3,278	2,805	2,863	2,715	3,205	3,011
	GRAIN SORGHUM										
Government 2/	539	591	739	741	696	703	661	545	285	268	308
"Free"	69	153	121	110	131	137	107	179	241	249	235
Total	608	744	860	851	827	840	768	724	526	517	543
	OATS										
Government 2/	103	46	43	42	50	73	98	112	95	101	165
"Free"	558	437	515	452	436	439	363	424	347	344	382
Total	661	483	558	494	486	512	461	536	442	445	547
	BARLEY										
Government 2/	162	112	103	66	72	60	44	26	21	48	125
"Free"	130	133	143	150	160	169	155	167	186	170	152
Total	292	245	246	216	232	229	199	193	207	218	277
	4 FEED GRAINS (Mil. tons)										
Government 2/	64.4	69.8	83.6	75.2	69.7	66.1	58.3	45.1	25.0	31.6	44.3
"Free"	53.0	58.0	58.2	56.6	52.1	62.9	53.9	68.5	77.8	85.0	70.6
Total	117.4	127.8	141.8	131.8	121.8	129.0	112.2	113.6	102.8	116.6	114.9

1/ Preliminary. 2/ Total under loan and owned by CCC.

Table 4.--Feed grains: Supplies and utilization, United States, average 1962-66, annual 1965-68

Marketing year beginning 1/	Supply				Utilization				
					Domestic use				
	Carry-over	Production	Imports 2/	Total	Feed 3/	Food, industry and seed	Total domestic	Exports 2/	Total use
	Million bushels								
	CORN								
Average 1962-66	1,308	3,862	1	5,171	3,151	346	3,497	532	4,029
1965	1,147	4,084	1	5,232	3,347	358	3,705	687	4,392
1966	840	4,117	1	4,958	3,284	364	3,648	487	4,135
1967	823	4,760	1	5,584	3,421	367	3,788	634	4,422
1968 4/	1,162	4,375	1	5,538	3,718	370	4,088	525	4,613
1969 4/	925								
	GRAIN SORGHUM								
Average 1962-66	584	595	---	1,179	489	13	502	176	678
1965	566	673	---	1,239	569	13	582	266	848
1966	391	715	---	1,106	600	14	614	248	862
1967	244	756	---	1,000	532	13	545	166	711
1968 4/	289	739	---	1,028	615	13	628	100	708
1969 4/	300								
	OATS								
Average 1962-66	291	912	4	1,207	790	109	899	18	917
1965	277	927	3	1,207	747	107	854	37	891
1966	316	801	4	1,121	731	100	831	20	851
1967	270	789	3	1,062	673	106	779	10	789
1968 4/	273	930	2	1,205	745	102	847	8	855
1969 4/	350								
	BARLEY								
Average 1962-66	121	398	9	528	225	118	343	64	407
1965	100	392	8	500	198	120	318	77	395
1966	105	393	7	505	213	125	338	45	383
1967	122	373	8	503	208	126	334	31	365
1968 4/	138	418	8	564	245	129	374	15	389
1969 4/	175								
	TOTAL FEED GRAINS								
	Million tons								
Average 1962-66	60.6	148.9	.3	209.8	120.1	14.6	134.7	21.6	156.3
1965	54.8	157.4	.3	212.5	126.3	15.0	141.3	29.1	170.4
1966	42.1	157.6	.3	200.0	125.7	15.2	140.9	22.0	162.9
1967	37.1	176.0	.3	213.4	126.4	15.4	141.8	23.3	165.1
1968 4/	48.3	168.1	.3	216.7	139.2	15.5	154.7	18.0	172.7
1969 4/	44.0								

1/ October 1 for corn and sorghum grain; July 1 for oats and barley.

2/ Includes grain equivalent of products.

3/ Residual; includes small quantities for other uses and waste.

4/ Preliminary; based on May 1969 indications. Tentative estimates of utilization and carryover at end of year.

which more than offset smaller exports. "Free" stocks were reduced to 1,941 million bushels, about 500 million less than the large volume a year earlier. This would be below the April-September total disappearance which is now expected to total a little over 2.1 billion bushels. This would indicate that around 300 million bushels would have to be withdrawn from Government stocks to meet requirements for domestic use, exports, and leave a minimum "free" carryover at the end of the year.

Grain sorghum stocks on April 1 totaled 543 million bushels, a little larger than in the past 2 years but below stocks on that date in most other recent years. Government stocks, totaling 308 million bushels, were about 40 million larger, while "free" stocks were a little smaller. The larger stocks on April 1 would indicate that the carryover next October 1 may be a little above the 289 million bushels carried over on October 1, 1968.

The larger 1968/69 oat and barley supplies have not been matched by comparable increases in disappearance. Substantially larger stocks of the 2 grains were on hand April 1 this year than last. Stocks of oats were up about 100 million bushels while barley stocks were nearly 60 million larger. Carryover of these grains on July 1 are expected to be substantially above last year and also well above the 1962-66 average.

Domestic Use Heavy This Year

Consumption of feed grains has been at a record level so far this year. October-March domestic use, based on the April 1 stocks report, was 13% above a year earlier and about 15% above the 1962-66 average (table 26). The increase in consumption apparently was due largely to the very favorable livestock/feed price ratios which encouraged liberal feeding of the increased number of livestock on farms. The increase over that period of 1967/68 also may be attributed in part to the fact that feeding was relatively low in the first half of last year. Domestic use in October-March 1967/68 was only about 1.3 million tons above the 1962-66 average, while in the last half of the year it was 6 million tons higher.

Heavier domestic consumption during October-March 1968/69 resulted in a record total disappearance of nearly 95 million tons. This was 5 million tons larger than a year earlier and 8 million above the 1962-66 average. While domestic use was up 10 million tons from the previous year, exports were down 5 million.

Total disappearance of feed grains during April-September may be only a little above the high level in that period last year. While livestock/feed price ratios are expected to continue generally favorable, feed prices are expected to be higher than a year ago. The current strong demand for feed grains may dampen some, resulting in a smaller increase in domestic consumption from a year earlier in the last half of 1968/69.

Total Feed Grain Consumption Expected to Exceed 1968 Production

Utilization of feed grains in 1968/69 is now expected to total around 4 or 5 million tons above the 1968 crop of 168 million tons, reducing carryover into 1969/70 to around 44 million tons. Based on the heavy domestic use so far this year, total domestic use in 1968/69 is expected to be about 8% to 10% above the 142 million in 1967/68 and around 15% above the 1962-66 average. This will be partly offset by smaller exports, now estimated to be down about 5 million tons. Total disappearance likely will rise by around 8 million tons above the 165 million of 1967/68.

Heavy Corn Utilization Reduces Stocks

Heavy domestic use of corn in the first half of the current marketing year brought April 1 stocks down to about 3.0 billion bushels, nearly 200 million less than a year earlier. Utilization is expected to continue at a high level in April-September. The increase over a year earlier, however, probably will be less pronounced than in the first half of the year. Furthermore, corn prices are expected to be well above the relatively low level in the summer of 1968. With the larger number of livestock to be fed, total utilization during April-September probably will continue a little above that period of 1968.

Based on current indications, the corn carryover is now expected to be reduced to around 925 million bushels, about 20% less than on October 1, 1968. Should the 1969 crop turn out to be about 4.5 billion bushels as projected in March, this would give a 1969/70 supply of about 5.4 billion bushels, a little below supplies in the past 2 years.

Domestic use of corn in October-March totaled close to 2.3 billion bushels, about 260 million more than in that period last year. On the other hand, exports were down about a third from a year earlier to 230 million bushels. Total disappearance reached a new record high of over 2.5 billion bushels for the 6 months, about 150 million more than in the same period of 1967/68.

Domestic use of corn in 1968/69 probably will be about 300 million bushels above last year, reaching a record high of around 4.1 billion. But exports probably will be down by more than 100 million bushels from the 634 million exported last year. This would give a total corn disappearance of about 4.6 billion bushels, nearly 200 million more than in 1967/68 and about 600 million above the 1962-66 average.

While April 1 stocks of corn were down about 200 million bushels from a year earlier to 3.0 billion bushels, "free" stocks were down even more. Excluding the corn owned by CCC and held by farmers under the loan program, only 1,941 million bushels remained outside the program on April 1, about 500 million less than a year earlier. This would be about 170 million bushels less than is now expected to be consumed domestically and exported during April-September. Adding an allowance for minimum "free" stocks, the "free" supply would be around 300 million bushels or so below prospective April-September requirements.

This would indicate that much more corn will have to be withdrawn from the program, principally through farmers repaying their loans, to meet April-September requirements than in the past 2 years. It would also indicate a substantially smaller "free" carryover next October 1 than the large "free" stocks of nearly 450 million bushels a year earlier.

Grain Sorghum Feeding Up; Exports Down

Grain sorghum disappearance in October-March this year was up slightly from a year earlier. Domestic use, up nearly a fifth, was almost offset by a sharp drop in exports (table 26). Contributing to the increase in domestic use of grain sorghum has been the relatively large numbers of cattle and calves on feed. During the past October-December, cattle and calves placed on feed in 13 western States (including Texas and Oklahoma) were up 12% from the year before. The number placed on feed in January-March increased more sharply--up 24%.

Domestic use for the entire 1968/69 marketing year is expected to turn out well above last year's 545 million bushels and may exceed the record 614 million of 1966/67. But the export picture does not look too promising. Weak foreign demand plus a dock strike (lasting about 3 months in Gulf Coast ports) resulted in a decline for October-April exports to 54 million bushels--only half those of a year earlier and the lowest since 1960/61. Exports for the entire year now are expected to be in the area of 100 million bushels, well under the 166 million of the 1967/68 season.

If disappearance estimates are realized, the October 1 carryover of grain sorghum will be around 300 million bushels, slightly above the year before but well below the 1962-66 average of 584 million.

If farmers carry out their March 1 acreage plans and the growing season is normal, the 1969 crop would be around 775 million bushels. This would give a starting supply for 1969/70 of about 1.1 billion bushels, somewhat above this year's 1,028 million.

Larger Carryover of Oats and Barley in Prospect

Disappearance of oats during the first 9 months of the current marketing season ran 7% above that in 1967/68. However, with the much larger beginning supply, stocks this July 1 probably will be around a fourth larger than the 273 million bushels of a year ago. Heavier feeding will account for practically all of the increase in oat disappearance. Food, industry, and seed usage (which normally makes up 12% of total use) probably will not differ greatly from last year. Exports, estimated at 8 million bushels, again are quite small.

Although the 1968/69 barley supply was up 12% from a year earlier, July-March disappearance of 283 million bushels was virtually the same. Domestic consumption was up 24 million bushels or 9%. But a sharp drop in exports (from 29 million to 8 million bushels) was about offsetting. July 1 barley carryover also is expected to be around a fourth larger than last year, probably reaching a 10-year high of around 175 million bushels.

Wheat Feeding Expected to Be Around 200 Million Bushels

Wheat feeding during the 1968/69 (October-September) feeding year is now expected to total around 200 million bushels, about a third larger than last year and the most since World War II. The big 1968 crop and the lower export demand, making more wheat available for domestic use, are responsible.

Sluggish demand has resulted in little seasonal rise in wheat prices since last fall and a narrowing of the margin between wheat and corn prices. In April, farmers received $2.13 per 100 pounds of wheat, only 13¢ higher than corn. This is a much narrower spread than a year ago when wheat was 38¢ above corn.

Wheat prices are expected to continue low in relation to corn this spring and summer, assuming a normal growing season for the 1969 crop. With the corn prices expected to hold firmer this summer than last, seasonal weakness in wheat prices at harvesttime this summer would further reduce the margin between wheat and corn prices, stimulating heavy feeding during the summer.

Feed Consumption by Dairy Cows Continues Upward

For the past several years, feeding of grains and other concentrate-type feeds to dairy cows has set a new record high practically every time dairymen have reported these data. The trend of feeding more to fewer milk cows continued in 1968. The following tabulation compares dairy cow feeding and other associated factors:

	1959	1968	% change
Grain & other concentrates fed:			
Total, Mil. tons	19.8	22.9	+16
Per cow, Lb.	2,050	3,519	+72
Per cwt. milk produced, Lb.	31.5	39.1	+24
Dairy cows, Jan. 1 following, Mil.	19.5	14.1	-28
Milk/feed price ratios	1.43	1.70	+19
Milk production per cow, Lb.	6,815	9,006	+32

Major factors contributing to the increased feeding of concentrate-type feeds to dairy cows include the switch to Holstein cows with their greater capacity for feed intake and milk output, increased use of concentrate-type feeds to obtain more milk per cow, and the more favorable milk/feed price relationships in recent years.

Feed Concentrate Consumption Up Substantially

Consumption of all feed concentrates was estimated at close to 99 million tons

Table 5.--Individual feeds as percentage of the total concentrate ration fed to milk cows in herds kept by dairy reporters, United States, 1955-68

Year	Corn	Small grains		Oilseed meals		Wheat bran, shorts	Commercial mixed feeds	Miscellaneous	Total
		Oats	Barley and wheat	Cotton-seed meal	Soybean meal 1/				
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1955	32.0	23.1	4.2	1.3	1.4	2.8	28.3	6.9	100.0
1956	31.2	23.2	4.1	1.4	1.7	2.8	28.3	7.3	100.0
1957	32.0	21.6	4.1	1.2	1.9	3.2	29.2	6.8	100.0
1958	32.1	21.8	3.9	1.1	1.9	3.0	28.8	7.4	100.0
1959	33.7	21.6	3.5	.9	2.0	2.7	28.5	7.1	100.0
1960	35.2	18.5	3.1	.8	2.2	2.7	29.9	7.6	100.0
1961	36.2	17.7	3.5	.9	1.9	2.5	30.0	7.3	100.0
1962	36.7	16.0	2.9	.8	2.2	2.5	31.9	7.0	100.0
1963	38.1	15.8	2.8	.8	2.0	2.2	31.5	6.8	100.0
1964	37.9	14.7	2.5	.8	1.9	2.3	32.9	7.0	100.0
1965	37.5	15.1	2.8	.8	1.8	1.9	33.1	7.0	100.0
1966	37.7	13.6	2.9	.7	2.0	1.7	34.8	6.6	100.0
1967	37.0	12.6	3.0	.6	2.0	1.4	36.3	7.1	100.0
1968	37.4	12.2	2.9	.5	2.4	1.4	36.6	6.6	100.0

1/ Includes small quantities of soybeans.

Compiled from Milk Production, Crop Reporting Board, SRS, May 12, 1969 and earlier issues.

Table 6.--Grain and other concentrates fed to milk cows, and related factors, 1955-68

Calendar years	Grain and other concentrates fed to milk cows	Quantity fed per cow	Quantity fed per 100 pounds of milk	Milk-feed price ratio 1/	Milk-fat-feed price ratio 1/	Price of dairy ration per 100 pounds 2/	Number of dairy cows January 1 3/
	1,000 tons	Lb.	Lb.	Lb.	Lb.	Dol.	Mil.
1955	18,664	1,758	30.1	1.28	20.9	3.10	23.5
1956	19,098	1,825	30.2	1.36	22.3	3.00	22.9
1957	19,946	1,945	31.2	1.39	23.2	3.00	22.3
1958	19,809	2,003	31.3	1.41	24.1	2.89	21.3
1959	19,803	2,050	31.5	1.43	24.8	2.89	20.1
1960	19,821	2,259	32.2	1.45	24.8	2.88	19.5
1961	20,916	2,404	33.2	1.45	25.7	2.89	19.3
1962	21,617	2,533	34.3	1.40	24.3	2.92	19.0
1963	21,858	2,646	35.1	1.36	23.4	3.01	18.4
1964	22,464	2,800	35.9	1.38	23.9	3.01	17.6
1965	22,827	2,953	36.7	1.40	23.6	3.02	17.0
1966	4/22,569	4/3,200	37.6	1.53	25.0	3.14	16.0
1967	4/22,790	4/3,374	38.3	1.56	24.4	3.22	15.2
1968	4/22,886	4/3,519	39.1	1.70	*	3.10	14.6

1/ Pounds of dairy ration equal in value to one pound of wholesale milk or milkfat. 2/ Average value of concentrate ration in milk and cream selling areas. 3/ Cows and heifers 2 years old and over kept for milk. Number of dairy cows on farms January 1, 1969 estimated at 14.1 million head. 4/ Not comparable with data for earlier years. *Discontinued.

Compiled from Milk Production, Crop Reporting Board, SRS, May 12, 1969 and earlier issues.

Table 7.--Feed concentrate balance, animal units, and feed per unit, average 1962-66, annual 1963-68

Item	Year beginning October 1/						
	1962-66 average	1963	1964	1965	1966	1967 2/	1968 3/
	Million tons						
Supply of all concentrates	243.0	250.4	237.6	247.2	235.1	249.0	255.3
Concentrates fed 4/							
Feed grains	119.8	116.4	111.6	126.3	125.9	126.5	139.0
Wheat and rye	2.8	1.7	3.5	3.6	3.9	4.6	6.0
Byproduct feeds	30.4	30.2	30.2	31.1	31.2	31.0	32.5
Total	153.0	148.3	145.3	161.0	161.0	162.1	177.5
Grain-consuming animal units (Mil.)	172.9	173.0	169.1	170.1	178.9	178.8	184.0
Supply of all concentrates per animal unit (Tons)	1.41	1.45	1.41	1.45	1.31	1.39	1.39
All concentrates fed per animal unit (Ton)	.88	.86	.86	.95	.90	.91	.96

1/ Except oat and barley supplies which start on July 1. 2/ Preliminary. 3/ Preliminary; utilization and carryover at end of year based on indications in May 1969. 4/ Total quantities fed, including domestically produced and imported grains and byproduct feeds.

Table 8.--Feed concentrates consumed by livestock and poultry, semiannually, 1962-68

Item	Year beginning October						
	1962-66 average	1963	1964	1965	1966	1967	1968 1/
Concentrates fed (Mil. tons)							
October-March	86.2	82.1	84.6	88.8	88.9	87.8	98.7
April-September	66.8	66.2	60.7	72.2	72.1	74.3	
Total	153.0	148.3	145.3	161.0	161.0	162.1	
Grain-consuming animal units fed annually (Mil.)	172.9	173.0	169.1	170.1	178.9	178.8	184.0
Concentrates fed per grain-consuming animal unit (Ton)							
October-March	.50	.47	.50	.52	.50	.49	.54
April-September	.38	.39	.36	.43	.40	.42	
Total	.88	.86	.86	.95	.90	.91	

1/ Preliminary.

for the first half of the 1968/69 feeding year, a record, and 11 million above a year earlier. Considering the estimated 184 million grain-consuming animal units to be fed in 1968/69, the feeding rate in October-March would be .54 ton per animal unit, 10% above last year and slightly above the previous record of .52 ton in 1965/66 (table 8).

Demand for feed concentrates is expected to continue strong through the last half of the feeding year. During April-September of the past 3 years, the feeding rate ranged between .40 and .43 ton, well above the 1962-66 average of .38 ton. Allowing for continued liberal feeding during the remainder of the year, the annual rate is estimated at .96 ton. With the 184 million grain-consuming animal units to be fed, this gives a projected consumption of 177 million tons for the entire 1968/69 feeding year. This would be 15 to 16 million tons more than in the previous 3 years and the highest ever.

FEED GRAIN PRICES AND SALES

Feed Grain Prices Advance Above Last Year's Level

The index of feed grain prices has increased more than seasonally since last fall, rising slightly above a year earlier in April. Higher corn prices (which weigh heavily in the index) more than offset lower prices received by farmers for each of the other feed grains. During October-March, however, prices averaged about 1% lower than in the same period of 1967/68 and about 7% below the 1962-66 average. Prices this spring and summer are expected to continue above those of a year earlier, as smaller "free" stocks, especially of corn, will continue to give strength to prices.

Corn prices rose 16% from October to April, much more than the usual seasonal rise in this period. In April, the average price received by farmers was $1.12 a bushel, 6¢ higher than a year earlier and 7¢ above the loan rate. Corn prices in October-April averaged a little higher than a year earlier while prices of each of the other feed grains were lower. Sorghum grain prices in April were 14¢ above the loan rate; barley was 2¢ above, but oat prices were 2¢ under the loan. If the growing season is favorable for the 1969 oat and barley crops, prices of these grains probably will decline seasonally this summer.

Corn prices have been higher this year in relation to most other feeds than in 1967/68. Prices received by farmers for corn in April averaged $2 per cwt. while grain sorghum was only $1.76, or 12% lower. This was much greater than the 3% difference of a year ago but was close to the long-term average. Prices of oats and barley averaged $1.92 per cwt. in April, 4% lower than corn. A year ago the price of oats was 15% above corn, barley was 6% higher than corn.

Relatively lower prices of grain sorghum, oats, and barley reflect the larger "free" stocks of these grains this spring and prospects for larger carryover stocks at the end of the current marketing year.

Favorable Price Ratios Encouraging Liberal Feeding

Livestock price ratios favorable to livestock producers so far during the 1968/69 feeding year are encouraging increased livestock production and liberal feeding. Although down in April from the high March levels, the price ratios continued near or above year-earlier levels and also above the 5-year average.

The hog/corn price ratio (based on U.S. average prices) averaged 17.5 in April, about the same as a year ago and near the October- March average. The ratio has been above average during the past 2 years contributing to a 4% increase in the 1968 U.S. fall pig crop and prospects for a 5% larger spring crop this year. The number of hogs and pigs on farms on March 1 in the 10 Corn Belt States was up 4%. This would indicate a continuation

Table 9.--Feed grains: Average wholesale prices, October-May, 1967/68 and 1968/69 1/

Period	Corn, Yellow, Chicago						Oats, No. 2 Minneapolis		Barley, No. 3 Minneapolis		Milo, No. 2 Kansas City	
	1967/68			1968/69			1967/ 1968	1968/ 1969	1967/ 1968	1968/ 1969	1967/ 1968	1968/ 1969
	No. 2	No. 3	No. 5	No. 2	No. 3	No. 5						
	Dollars per bushel										Dol. per cwt.	
October	1.17	1.15	1.06	1.08	1.06	.98	.696	.641	1.26	1.18	1.90	1.81
November	1.11	1.06	.94	1.15	1.13	1.04	.706	.687	1.24	1.16	1.90	1.88
December	1.14	1.11	.99	1.16	1.14	1.06	.701	.670	1.20	1.14	1.96	1.90
January	1.13	1.10	.98	1.20	1.18	1.13	.727	.704	1.24	1.19	2.06	1.96
February	1.15	1.12	1.00	1.18	1.16	1.10	.736	.692	1.25	1.18	2.10	1.95
March	1.18	1.14	1.02	1.18	1.15	---	.740	.661	1.23	1.17	2.10	1.94
April	1.16	1.13	1.04	1.23	1.20	1.18	.759	.667	1.23	1.17	2.07	1.98
Week ended:												
April 4	1.17	1.14	1.05	1.20	1.18	---	.745	.668	1.23	1.18	2.10	1.95
11	1.15	1.10	1.03	1.21	1.18	1.15	.755	.659	1.22	1.18	2.09	1.96
18	1.14	1.11	1.02	1.23	1.20	1.16	.760	.660	1.22	1.17	2.05	1.98
25	1.18	1.14	1.08	1.26	1.23	1.18	.767	.673	1.25	1.18	2.06	1.99
May 2	1.16	1.15	1.03	1.29	1.28	1.22	.762	.666	1.25	1.17	2.07	2.03
9	1.21	1.18	1.11	1.32	1.30	1.23	.740	.668	1.26	1.17	2.04	2.01

1/ Average prices weighted by carlot sales.

Table 10.--Grain-consuming and high-protein-consuming animal units, United States, average 1962-66, annual 1966-68

Type of livestock	Year beginning October							
	Grain-consuming animal units				High-protein-consuming animal units			
	Average 1962-66	1966	1967 1/	1968 2/	Average 1962-66	1966	1967 1/	1968 2/
	Million units							
Dairy cattle	20.4	18.4	17.8	17.3	19.2	17.3	16.7	16.2
Cattle on feed 3/	20.5	22.5	22.7	24.8	33.1	35.7	36.2	38.8
Other cattle 3/	11.6	11.9	12.1	12.1				
Hogs	63.1	64.2	66.0	68.8	26.7	27.1	28.0	29.1
Poultry	52.8	57.4	55.7	56.6	70.2	76.7	74.5	75.6
Sheep	0.8	0.8	0.8	0.7	1.6	1.5	1.4	1.3
Horses and mules	3.7	3.7	3.7	3.7	---	---	---	---
Total	172.9	178.9	178.8	184.0	150.8	158.3	156.8	161.0

1/ Preliminary.
2/ Based on May 1969 indications.
3/ Not reported separately for high-protein-consuming animal units.

Table 11.--Feed grains and hay: Production, farm disposition and value of sales, 1963-68

Crop year	Production	Used on farms where grown 1/	Sold 2/		Season average price 2/	Value of production	Value of sales 2/
			Quantity	Percent of production			
	Mil. bu.	Mil. bu.	Mil. bu.	Pct.	Dol. per bu.	Mil. dol.	Mil. dol.
				CORN, grain only			
1963	4,019	2,144	1,875	47	1.11	4,454	2,078
1964	3,484	1,781	1,703	49	1.17	4,064	1,988
1965	4,084	2,077	2,007	49	1.16	4,732	2,327
1966	4,117	2,038	2,079	50	1.24	5,106	2,579
1967	4,760	2,223	2,537	53	1.03	4,940	2,626
1968 3/	4,375	2,056	2,319	53	1.06	4,638	2,456
				GRAIN SORGHUM			
1963	585	136	450	77	.977	568	439
1964	490	106	384	78	1.05	512	403
1965	673	148	524	78	1.00	668	524
1966	715	133	582	81	1.02	730	593
1967	756	152	604	80	.992	745	599
1968 3/	739	142	596	81	.944	693	563
				OATS			
1963	966	657	309	32	.622	608	192
1964	852	570	282	33	.631	541	178
1965	927	613	314	34	.622	585	195
1966	801	526	275	34	.665	538	183
1967	789	523	266	34	.659	525	175
1968 3/	930	582	348	37	.600	565	209
				BARLEY			
1963	393	111	282	72	.897	350	253
1964	386	91	295	76	.947	362	279
1965	392	93	300	77	1.02	395	304
1966	393	104	290	74	1.05	408	304
1967	373	104	269	72	1.00	369	268
1968 3/	418	108	310	74	.899	374	279
				4 FEED GRAINS			
	Mil. tons	Mil. tons	Mil. tons	Pct.	Dol. per ton	Mil. dol.	Mil. dol.
1963	153.8	77.0	76.8	50	---	5,980	2,962
1964	134.2	64.1	70.0	52	---	5,479	2,848
1965	157.4	74.3	83.1	53	---	6,380	3,350
1966	157.6	71.7	85.9	55	---	6,782	3,659
1967	176.0	77.4	98.7	56	---	6,579	3,668
1968 3/	168.1	73.4	94.6	56	---	6,270	3,507
				HAY			
1963	117.5	97.0	20.6	18	24.60	2,716	507
1964	118.8	96.7	22.0	19	23.90	2,809	527
1965	125.5	102.4	23.1	18	23.20	2,913	534
1966	121.0	98.8	22.2	18	25.00	2,892	557
1967	126.3	103.2	23.1	18	24.50	2,897	568
1968 3/	125.4	102.1	23.3	19	23.60	2,839	549

1/ Used for feed and seed on farms where grown. 2/ Includes an allowance for unredeemed loan and purchase agreement deliveries of feed grains valued at the average loan rate, by States. 3/ Preliminary.

of increased feed consumption by hogs at least through the 1968/69 feeding year.

In April, the beef steer/corn price ratio (based on Chicago prices) continued near the October-March average of 25.5 and well above the 10-year average. The favorable returns from cattle feeding during the past year has been an important factor in the increased number of cattle being fed and the increased consumption of feed by beef cattle. On April 1, there were 7% more cattle on feed in the 32 major feeding States than on that date last year. There had been 10% more on January 1.

The milk/feed price ratio has continued much above average during 1968/69 and has been accompanied by increased feed consumption per cow. During October-April, 6% more feed was fed per dairy cow than during the same period of 1967/68, over 20% above the 1962-66 average.

The broiler/feed price ratio declined slightly from March to April but remained above a year earlier and also above the 5-year average. Broiler production this year is expected to be 6% to 8% higher than in 1968. The egg/feed price ratio has declined seasonally since January, but continues above average and is more favorable to poultry producers than a year ago.

Sales of Feed Grains Down Slightly in 1968/69

Farm sales of feed grains from the 1968 crops are estimated at about 95 million tons, or about 3 million tons less than a year earlier. The smaller sales this year have been due to reduced production. Sales have been increasing in recent years as a percentage of production; they were equal to about 56% of the 1968 crop--the same as in 1967/68. Sales value from the 1968 crops was about $3.5 billion, 4% less than in each of the 2 previous years but above the value in other recent years. Including acreage diversion and price support payments, which totaled $1,369 million--up $500 million from a year earlier--nearly $4.9 billion was realized from feed grains, 8% more than in 1967/68.

Corn sold (or to be sold) by farmers from the 1968 crop is estimated at about 2.3 billion bushels, 218 million less than in 1967/68. This was 53% of total production, about the same as a year earlier (table 11). The percentage sales of the other 3 feed grains all increased slightly from the preceding year. Farmers sold about 81% of the grain sorghum crop, 37% of their oat crop, and 74% of their barley crop.

Sales of hay increased slightly in 1968 to 23.3 million tons--about 19% of production. The average price received for hay, however, was about $1 a ton lower than a year earlier, reducing the total value to slightly below 1967/68.

GOVERNMENT PROGRAMS

Feed Grain Signup Exceeds 41 Million Acres

Farmers this year have signed up to divert 41.3 million acres from feed grains to soil-conserving uses, 7 million acres more than signed for diversion in 1968 and the largest on record. However, barley (not included in the 1968 program) probably accounted for nearly 5 million acres of the increase from last year. Farmers signing up this year have a total feed grain base acreage of 94 million acres, 17 million more than last year and 10 million more than in 1966 when barley was in the program. In recent years, farmers have actually diverted 94% to 96% of the acreage signed for diversion (table 12). Present indications are that diverted acreage will reach a record high of 38 to 39 million acres.

The base acreage of corn producers signing up for the program this year totaled a little over 61 million acres, 3 million more than last year and the most ever signed. Based on the recent relationship between the acreage signed and the acreage diverted, the acreage diverted from corn could reach a record of over 26 million acres.

The base acreage on farms of grain sorghum producers signing up for the program has reached a high of 19.5 million acres. The total acreage diverted may be a little higher than the previous record of 7.3 million acres in 1966. In recent years, however, the number of grain sorghum producers dropping out of the program has been relatively greater than for corn, with the acreage on farms actually participating ranging from 91% to 93% of the base acreage signed up during the past 3 years.

Table 12.--Feed grains: Base acreage and diverted acreage, 1964-69 crops

Crop	Base acreage on signed farms	Acreage signed for diversion		Acreage diverted	
	Mil. acres	Mil. acres	% of base	Mil. acres	% of acreage signed
1964	77.5	34.3	44.3	32.4	94.5
1965	86.5	36.7	42.4	34.7	94.6
1966	83.6	36.2	43.3	34.7	95.9
1967	70.1	21.5	30.7	20.3	94.4
1968	76.6	34.3	44.8	32.4	94.5
1969	94.0	41.3	43.9		

The base acreage of barley on farms signing up for participation in the program totaled 13.2 million acres, about a million more than in 1966. The diversion program was not available to barley producers in 1967 and 1968. Acreage diverted from barley this year probably will be a little larger than in 1964-66 when an average of about 3.7 million acres were diverted.

The total base acreage of feed grains on signed farms amounted to 94 million acres or nearly 71% of the total U.S. base acreage. This also set a new record substantially exceeding the previous record signup of 65% in 1965. In recent years the base acreage on participating farms has been about 95% of the base acreage of the farmers signing up for the program. Farmers have diverted from 42% to 45% of their base acreage in the 5 years, excluding 1967 when farmers did not receive payment for voluntary diversion. In that year the percentage diverted dropped to only about 31%.

Price Support Activity May Exceed Last Year's High Level

Corn placed under price support has been totaling a little below the high level of last year, but more of the other feed grains have gone under price support. As of May 1, about 17.2 million tons of feed grains had been placed under price support, about equal to the total quantity placed under price support in 1967/68. Since corn producers have through June 30 to place their corn under loan and sorghum producers through May 31, the total this year probably will be the highest since 1962.

By May 1, corn producers had placed about 393 million bushels of corn under loan compared with 420 million bushels for the same period last year and well below the 491 million bushels placed under price support (including deliveries to CCC under the purchase agreement program) in 1967/68. Since corn prices have been above the loan rate since January (and had advanced to 7¢ over the loan in April) the quantity going into the loan program has slowed in recent months. With corn prices now well above the loan rate and with "free" supplies of corn much smaller than a year ago, farmers are expected to redeem more corn this spring and summer than the 113 million bushels redeemed from the 1967 crop. Through April, farmers had redeemed 33 million bushels of 1968 corn compared with about 21 million bushels in that period last year.

Through April, farmers had placed more than twice as much oats and barley under loan this year as in the same period of 1967/68. The 73 million bushels of grain sorghum placed under loan was 11 million more than in the same period last year and about 7 million more than the total placed under price support from the 1967 crop.

Table 13.--Feed grains: Base acreage on signed and participating farms and acreage diverted, 1964-69

Crop	CORN					GRAIN SORGHUM				
	Base acreage: On signed farms	Base acreage: On participating farms		Acreage diverted 1/		Base acreage: On signed farms	Base acreage: On participating farms		Acreage diverted 1/	
	Mil. acres	Mil. acres	% of acreage on signed farms	Mil. acres	% of base acreage on participating farms	Mil. acres	Mil. acres	% of acreage on signed farms	Mil. acres	% of base acreage on participating farms
1964	51.0	49.2	96.5	22.2	45.1	16.3	15.5	95.1	6.5	41.9
1965	56.2	54.0	96.1	24.0	44.4	18.2	17.2	94.5	7.0	40.7
1966	53.3	51.1	95.9	23.7	46.4	18.3	17.1	93.4	7.3	42.7
1967	51.8	49.5	95.6	16.2	32.7	18.3	16.9	92.3	4.1	24.3
1968	58.0	55.2	95.2	25.4	46.0	18.6	16.9	90.9	7.0	41.4
1969	61.3					19.5				
	BARLEY					TOTAL				
1964	10.2	8.8	86.3	3.7	42.0	77.5	73.5	94.8	32.4	44.1
1965	12.1	11.5	95.0	3.7	32.2	86.5	82.7	95.6	34.7	42.0
1966	12.0	10.8	90.0	3.7	34.3	83.6	79.0	94.5	34.7	43.9
1967	2/	2/	2/	2/	2/	70.1	66.4	94.7	20.3	30.6
1968	2/	2/	2/	2/	2/	76.6	72.1	94.1	32.4	44.9
1969	13.2					94.0				

1/ Does not include acreage in the Soil Bank Program. 2/ No provision for diversion.

Table 14.--Feed grains: Production and quantities placed under price support, United States, 1961-68

Crop of	Feed grain production	Quantity placed under price support 1/						Delivered to CCC 2/	
		Corn	Grain sorghum	Oats	Barley	Total	Percentage of production	Total	Percentage of quantity placed under support
	Mil. tons	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. tons	Percent	Mil. tons	Percent
1961	139.8	658.6	196.3	20.6	44.2	25.3	18	23.7	94
1962	141.7	590.8	219.4	32.0	39.9	24.2	17	19.9	82
1963	153.8	395.3	141.4	38.9	28.2	16.3	11	4.6	28
1964	134.2	215.8	82.9	44.9	15.0	9.4	7	3/3.5	37
1965	157.4	214.9	106.0	43.9	16.5	10.1	6	3/3.5	35
1966	157.6	263.0	27.7	22.7	16.5	8.8	6	---	---
1967	176.0	491.2	65.5	36.8	47.9	17.3	10	---	---
1968	168.1	4/393.3	4/73.0	4/86.8	4/113.1	4/17.2	10	---	---

1/ Placed under loan and purchase agreement through 1963; under loan only for 1964-68 crops. 2/ Includes deliveries from original program, the reseal program and over-deliveries as determined by the final weight of grain. 3/ Assumes that considerable quantities under reseal will be redeemed instead of delivered to CCC. 4/ Through April 30. The loan period for oats and barley expired April 30; corn producers have through June 30 and sorghum grain producers through May 30 or June 30 to place these grains under loan.

Table 15.--Corn: Price support activity, monthly, 1966-68 crops

Item	Unit	Cumulative through: Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June 1/	July 1/	Aug. 1/	Sept. 1/
1966 Crop Loan													
$1.00 a bu.													
Placed under loan	Mil. bu.	2	45	111	193	218	229	235	239	263	263	263	263
Redemptions	"	---	---	---	2	5	12	19	25	40	64	104	128
Net under loan	"	2	45	111	191	213	217	216	214	223	199	159	135
Farm price	$ a bu.	1.29	1.26	1.29	1.28	1.26	1.28	1.26	1.25	1.26	1.21	1.11	1.12
Price above loan	¢ a bu.	+29	+26	+29	+28	+26	+28	+26	+25	+26	+21	+11	+12
1967 Crop Loan													
$1.05 a bu.													
Placed under price support 2/	Mil. bu.	5	52	194	347	387	411	420	427	439	447	453	3/491
Redemptions	"	---	---	---	2	5	11	21	34	49	69	88	3/113
Delivered	"	---	---	---	---	---	---	---	---	1	1	21	3/114
Net under loan	"	5	52	194	345	382	400	399	393	389	377	344	3/264
Farm price	$ a bu.	1.04	.975	1.03	1.04	1.06	1.06	1.06	1.09	1.07	1.04	.986	1.01
Price above + or below - loan	¢ a bu.	-1	-7	-2	-1	+1	+1	+1	+3	+2	-1	-6	-4
1968 Crop Loan													
$1.05 a bu.													
Placed under price support	Mil. bu.	10	72	180	330	367	385	393					
Redemptions	"	---	---	1	3	9	17	33					
Delivered	"	---	---	---	---	---	---	---					
Net under loan	"	10	72	179	327	358	368	360					
Farm price	$ a bu.	.962	1.04	1.05	1.08	1.09	1.09	1.12					
Price above + or below - loan	¢ a bu.	-9	-1	0	+3	+4	+4	+7					

1/ Includes transactions completed after the expiration of the June 30 loan application date.
2/ Includes non-recourse loan, deliveries under the purchase program and quantity resealed not previously put under loan.
3/ Includes quantities reported through February 28, 1969 although most transactions occurred prior to September 30.

Table 16.--Corn and sorghum grain: Disposition of quantities placed under price support, 1964-67 crops

Item	1964		1965		1966		1967 1/	
	Corn	Sorghum grain	Corn	Sorghum grain	Corn	Sorghum grain	Corn	Sorghum grain
	Million bushels							
Placed under price support 2/	215.8	82.9	214.9	106.0	263.0	27.7	491.0	65.0
Redeemed by farmers 3/	142.3	7.1	152.6	12.3	129.1	21.8	113.0	32.0
Delivered to CCC 4/	1.9	63.1	.2	75.0	0.2	0.1	114.0	1.0
Resealed	71.6	12.7	62.1	18.7	133.7	5.8	264.0	32.0

1/ Preliminary. 2/ Placed under loan for 1964-67 crops, plus quantities delivered to CCC under purchase agreement program. 3/ Residual. Grain on which loans are repaid or purchase agreement grain not delivered. 4/ Deliveries from the original program only; excludes deliveries from the reseal program and over-deliveries.

Compiled from fiscal and operating reports of the Agricultural Stabilization and Conservation Service.

FOREIGN TRADE

Exports Down Sharply So Far This Year

Feed grain exports so far this season are well below those of a year earlier. During October-April, 9.5 million tons (including products) were exported, compared with 14.3 million in that period of 1967/68. Much of this reduction was due to the dock strike of last winter, but foreign demand also has been weaker. Since the dock strike, exports have made rather slow recovery. March-April exports of 3.4 million tons were slightly less than in those 2 months of 1968 and substantially less than those months in 1965--which followed the previous dock strike in the winter of 1964/65. For the entire 1968/69 marketing year, exports are now expected to be nearly a fourth less than the 23 million exported last year and the lowest since 1962/63.

Corn exports totaled about 274 million bushels during October-April, 110 million less than in that period of 1967/68. Much of this drop resulted from the January-March dock tie-up. Since settlement (about March 20 for all ports), corn inspections for exports have averaged close to 10 million bushels weekly, slightly above those of the corresponding period of last year.

Outlook for U.S. corn exports is more promising for the last half of the marketing year. South Africa's exports for May-September are expected to be practically nil, following the October-April movement of about 2 million bushels per week. Argentine exports averaged about 3 million bushels weekly during October-March and increased to nearly 8 million weekly during April. This high rate is seasonal and will diminish sharply this summer. Thus, these 2 important exporting countries should offer less competition during the later part of the marketing year. Total U.S. exports for the marketing season now are estimated at 525 million bushels (including products), around 100 million below last year.

A sharp reduction has occurred in U.S. corn exports to Europe so far this year. Exports to the Netherlands, West Germany, Italy and the United Kingdom during October-March totaled 107 million bushels, considerably less than the 180 million of a year earlier. The United Kingdom's demand for U.S. corn remains quite strong. The 30 million bushels exported to the U.K. in October-March was only 7 million under last year and 4 million below 2 years ago (table 17). Although comparatively small, demand for U.S. corn by Belgium-Luxembourg, Greece, and East Germany has also been quite strong. But shipments to Spain were only 4 million bushels versus about 28 million during each of the previous 2 seasons.

Japan continues to be our best customer for corn (and also grain sorghum). In October-March, 43 million bushels of corn went to Japan, down only 4 million from a year ago but 11 million more than in that period of 1966/67.

Grain sorghum exports during October-April totaled 54 million bushels, only about half the quantity shipped last year in that period. Exports for the entire 1968/69 season may total around 100 million bushels, much below the 166 million exported in 1967/68. In October-March, grain sorghum exports to Japan were 35 million bushels, about 10 million below last year, but accounted for nearly 80% of all sorghum exported in that period.

Barley exports for the current July-June marketing season are estimated at 15 million bushels, only about half the 31 million of last year. Exports of this feed grain have dropped sharply during recent years, principally due to expanded barley production and larger imports of corn by Western Europe.

Oat exports also have declined in recent years. For the present marketing season ending in June, they are expected to fall below 10 million bushels. All of the decline has been in oats as grain.

Table 17.--Corn, sorghum grain and soybean meal: U.S. exports to specified countries, 1966-68

Country of destination	Year beginning October						
	1966			1967			1968 1/
	Oct.-Mar.	Apr.-Sept.	Total	Oct.-Mar.	Apr.-Sept.	Total	Oct.-Mar.
	Corn 2/ - Million bushels						
Canada 3/	15.8	24.6	40.4	18.9	29.5	48.4	27.0
United Kingdom	34.4	32.6	67.0	37.4	27.9	65.3	30.0
Belgium-Luxembourg	15.0	5.8	20.8	11.3	10.7	22.0	9.1
Germany, West	19.3	16.6	35.9	27.3	26.3	53.6	14.0
Germany, East	4.8	4.2	9.0	4.7	4.8	9.5	7.3
Netherlands	48.3	42.0	90.3	67.2	52.5	119.7	38.1
Italy	18.0	15.7	33.7	47.6	31.0	78.6	25.3
Greece	3.1	5.2	8.3	3.5	4.1	7.6	6.3
Spain	28.7	8.8	37.5	28.2	4.5	32.7	3.7
Japan	32.2	29.1	61.3	47.5	54.7	102.2	43.4
Other	36.2	25.1	61.3	38.1	35.5	73.6	17.8
Total	255.8	209.7	465.5	331.7	281.5	613.2	222.0
	Grain sorghum - Million bushels						
Belgium-Luxembourg	11.7	4.5	16.2	9.9	1.8	11.7	.9
Netherlands	5.9	9.7	15.6	7.6	3.3	10.9	1.2
Germany, West	3.5	.4	3.9	2.2	.6	2.8	---
Czechoslovakia	7.2	---	7.2	---	---	---	---
Japan	47.3	42.5	89.8	45.8	35.4	81.2	34.7
India	44.5	42.0	86.5	20.5	1.4	21.9	---
Israel	6.0	6.1	12.1	7.5	10.3	17.8	5.5
Other	13.5	3.6	17.1	9.0	10.9	19.9	1.9
Total	139.6	108.8	248.4	102.5	63.7	166.2	44.2
	Soybean meal - 1,000 short tons						
Canada	111.7	126.7	238.4	115.0	112.8	227.8	165.7
Denmark	57.8	51.6	109.4	47.8	18.2	66.0	17.1
United Kingdom	43.3	42.8	86.1	58.3	23.7	82.0	19.1
Netherlands	168.2	249.7	417.9	282.5	264.6	547.1	242.5
Belgium-Luxembourg	102.3	119.1	221.4	159.7	80.8	240.5	114.7
France	230.5	201.0	431.5	255.6	239.9	495.5	214.7
Germany, West	265.3	192.8	458.1	292.3	215.9	508.2	287.6
Spain	8.0	.1	8.1	.3	14.6	14.9	31.5
Italy	97.7	94.3	192.0	78.3	112.2	190.5	101.2
Yugoslavia	89.7	69.6	159.3	47.0	66.6	113.6	39.8
Hungary	29.9	.4	30.3	26.6	23.9	50.5	---
Japan	1.8	.6	2.4	4/	16.2	16.2	18.5
Other	174.2	127.5	301.7	178.6	168.0	346.6	154.6
Total	1,380.4	1,276.2	2,656.6	1,542.0	1,357.4	2,899.4	1,407.0

1/ Preliminary. 2/ Grain only including seed; but, excludes corn exported under the Food for Peace or charity program. 3/ Includes substantial quantities transhipped to other countries. 4/ Less than 50 tons.

Compiled from reports of the Bureau of Census by the Foreign Agriculture Service, USDA.

However, oatmeal exports have moved up from a yearly million bushels (grain equivalent) during the 1962-65 marketing seasons to almost 5 million bushels in 1967/68. Oatmeal exports this season will again be near 5 million bushels.

Argentine Corn Crop Larger; African Crop Smaller

The 1969 Argentine corn crop is estimated at 280 million bushels, 10% above last year and 32% above the 1962-66 average. If domestic consumption during 1969/70 continues near the 1968/69 level of 137 million bushels, corn available for export would be around 145 million bushels, somewhat above the 124 million exported by Argentina in the 1968/69 season.

This year's South African corn supply (May 1 stocks plus production) is estimated at 224 million bushels, about 30% less than last year's comparatively large quantity. The second estimate of the crop is 194 million bushels, 9 million more than the first estimate, but 15 million under 1968 production. The smaller supply plus domestic requirements at close to levels of the past 2 years would indicate only very small quantities of corn will be available for export during May-April 1969/70. In the past 2 seasons, South Africa exported over 100 million bushels a year mostly to Japan, the United Kingdom, and Italy.

HIGH-PROTEIN FEEDS

High-Protein Feed Consumption Increases

High-protein feeds (soybean meal basis) fed to livestock and poultry during October-March totaled 9.7 million tons, 6% more than a year earlier and the most ever. Factors that have favored liberal feeding of protein feed include: (1) relatively high livestock/feed price ratios, (2) more high-protein consuming animal units (161 million versus last year's 157 million), (3) additional proteins to balance heavier consumption of grain concentrates, (4) the very cold winter in North Central States, and (5) bigger supplies of soybean and cottonseed meals at lower prices.

Protein feeding for the year now is estimated at close to 18.6 million tons, nearly 800,000 tons more than last season. This is based on a feeding rate of 230 pounds (3 pounds more than last year) per high-protein consuming animal unit. During October-March, the rate was 120 pounds per unit, 3 pounds more than a year earlier. The annual rate includes an allowance for April-September feeding of about 110 pounds per animal unit, about the same as a year earlier.

Soybean Meal Consumption Up Substantially

Domestic consumption of soybean meal in October-March totaled 5.9 million tons, 335,000 more than a year earlier. After a slowdown in previous months, the March bean crush produced a record 1.3 million tons of meal, up more than 200,000 from February. Most of this increase in production was to meet export demand which totaled almost 450,000 tons, the highest ever for a single month. As a result, March's domestic use and stocks dipped sharply from February levels. However, the drop in domestic use was at least partly statistical, since the buildup of soybean meal stocks at ports was not deducted from total disappearance until the meal was exported in March.

Domestic consumption of soybean meal for the entire season is expected to be around 11.3 million tons, or 5% above last year. This would be indicative of continued liberal usage of soybean meal this spring and summer by livestock and poultry. Even though soybean meal is priced at a little below last year, it has been competing with increasing use of urea and larger supplies of cottonseed meal at relatively lower

Table 18.--High-protein feed: Quantity available for feeding and high-protein feed-consuming animal units, average 1962-66, annual 1960-68

Year beginning October	Quantity available for feeding (In terms of 44% protein soybean meal equivalent)				Per animal unit	High-protein consuming animal units
	Oilseed meal	Animal protein	Grain protein	Total		
	1,000 tons				Pounds	Million
Av. 1962-66	12,137	3,676	1,175	16,988	225	150.8
1960	11,259	3,281	947	15,487	217	142.9
1961	11,687	3,421	1,052	16,160	224	144.1
1962	11,976	3,543	1,069	16,588	225	147.6
1963	11,656	3,753	1,136	16,545	223	148.5
1964	11,804	3,557	1,181	16,542	223	148.3
1965	12,689	3,577	1,238	17,504	231	151.5
1966	12,561	3,950	1,250	17,761	224	158.3
1967 1/	12,240	4,263	1,284	17,787	227	156.8
1968 2/	13,150	4,100	1,300	18,550	230	161.0

1/ Preliminary. 2/ Based on May 1969 indications.

Table 19.--Byproduct feeds: Estimated use for feed, average 1962-66, annual 1963-68 1/

Item	Year beginning October						
	Average 1962-66	1963	1964	1965	1966	1967	1968 2/
	1,000 tons						
HIGH-PROTEIN FEEDS							
Total oilseed meals	12,752	12,333	12,422	13,338	13,028	12,648	13,710
Animal proteins							
Tankage and meat meal	1,948	1,940	1,932	1,961	2,068	2,059	2,050
Fish meal and solubles	694	737	625	627	827	1,064	950
Milk products	752	786	751	729	680	650	620
Total	3,394	3,463	3,308	3,317	3,575	3,773	3,620
Grain protein feeds							
Gluten feed and meal	1,405	1,368	1,406	1,481	1,486	1,514	1,550
Brewers' dried grains	292	276	295	304	324	336	340
Distillers' dried grains	401	382	409	426	425	447	450
Total	2,098	2,026	2,110	2,211	2,235	2,297	2,340
OTHER BYPRODUCT FEEDS							
Wheat millfeeds	4,742	5,051	4,715	4,612	4,499	4,490	4,475
Rice millfeeds	392	373	395	395	451	476	475
Dried and molasses beet pulp	1,166	1,203	1,289	1,153	1,129	1,100	1,400
Alfalfa meal	1,490	1,322	1,536	1,652	1,599	1,570	1,625
Fats and oils	424	420	363	427	486	496	540
Molasses	2,892	2,890	2,900	2,860	3,060	3,100	3,250
Miscellaneous	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Total	12,206	12,359	12,298	12,199	12,324	12,332	12,865
Total all byproduct feeds	30,450	30,181	30,138	31,065	31,162	31,050	32,535

1/ Adjusted for stocks, production, foreign trade and nonfeed uses where applicable.
2/ Preliminary; based on indications in May 1969.

Table 20.--Oilseed meal: Supply and utilization, United States, October-March, 1967/68 and 1968/69

Oilseed meal	Supply				Utilization		
	Stocks October 1 1/	Production	Imports	Total	Domestic use (feed) 2/	Exports	Stocks April 1 1/
				1,000 tons			
1967/68							
Soybean	138	7,188	---	7,326	5,569	1,542	215
Cottonseed	105	1,067	27	1,199	1,026	2	171
Linseed	23	160	0	183	3/99	69	3/(15)
Peanut	4	74	---	78	75	---	3
Copra	4/	54	---	54	54	---	4/
Total	270	8,543	27	8,840	6,823	1,613	404
1968/69 5/							
Soybean	145	7,344	---	7,489	5,904	1,407	178
Cottonseed	108	1,394	18	1,520	1,355	2	163
Linseed	14	151	1	166	116	32	18
Peanut	3	77	---	80	72	---	8
Copra	2	57	---	59	59	---	3/
Total	272	9,023	19	9,314	7,506	1,441	367

1/ Stocks at processors' plants. 2/ Estimated quantities of soybean meal used for industrial purposes and cottonseed meal used for fertilizer on farms of cotton growers. 3/ Includes an allowance for April 1 stocks which were not reported. 4/ Not reported. 5/ Preliminary.

Table 21.--Oilseed meal: Supply and utilization, United States, 1966/67, 1967/68 and 1968/69

Year beginning October	Supply				Utilization		
	Stocks October 1 1/	Production	Imports	Total	Domestic use (feed) 2/	Exports	Total
				1,000 tons			
1966							
Soybean	132	13,483	---	13,615	10,820	2,657	13,477
Cottonseed	64	1,744	59	1,867	1,755	7	1,762
Linseed	12	346	6	364	248	93	341
Peanut	1	118	---	119	115	---	115
Copra	3/	90	---	90	90	---	90
Total	209	15,781	65	16,055	13,028	2,757	15,785
1967 4/							
Soybean	138	13,660	---	13,798	10,754	2,899	13,653
Cottonseed	105	1,424	44	1,573	1,462	3	1,465
Linseed	23	277	5/	300	182	104	286
Peanut	4	132	---	136	133	---	133
Copra	3/	119	---	119	117	---	117
Total	270	15,612	44	15,926	12,648	3,006	15,654
1968 6/							
Soybean	145	14,100	---	14,245	11,300		
Cottonseed	108	2,000	25	2,133	1,950		
Linseed	14	250	2	266	200		
Peanut	3	135	---	138	135		
Copra	2	125	---	127	125		
Total	272	16,610	27	16,909	13,710		

1/ Stocks at processors plants. 2/ Estimated quantities of soybean meal used for industrial purposes and cottonseed meal used for fertilizer on farms of cotton growers. 3/ Not reported. 4/ Preliminary. 5/ Less than 500 tons. 6/ Forecast (except for stocks)--based on indications in May 1969.

prices than a year ago. In addition, fish meal imports have resumed with the dock strike over--totaling 45,000 tons in March. This gave an October-March fish meal supply of 382,000 tons, 52,000 tons less than last year's heavy supplies in that period.

Cottonseed Meal Supplies Much Larger

Cottonseed meal production is starting to decline seasonally, but accumulated supplies since last October have been much larger than those of the past 2 years. Feeding during October-March was 1,355,000 tons, about 330,000 more than in that period last year. Feeding for the entire season is expected to increase to 1,950,000 tons, a third more than the small quantity in 1967/68.

Animal Protein Supplies Down

Animal protein feed supplies (mainly fish meal and tankage-meat meal) are running somewhat below year-earlier levels. Fish meal supplies in October-March were 382,000 tons, 12% under the year before. Imports picked up briskly after the end of the dock strike--but for the entire year they probably will fall short of last year's 820,000 tons. The 319,000 imported during October-March was 60,000 less than a year earlier.

Meat meal and tankage production in October-March totaled 1,020,000 tons, slightly under a year earlier. Production for 1968/69 probably will not be greatly different from last year's 2 million tons.

High-Protein Feed Prices Little Changed

Despite the larger supplies, the price index of 11 principal protein feeds during October-April averaged 124% of the 1957-59 base, practically the same as a year earlier. In addition, prices have been fairly stable, ranging narrowly between 124% and 128% of the base since November. Lower priced oilseed meals have about offset the higher prices of animal proteins; prices of grain proteins have been little changed.

Soybean meal prices at Decatur in April averaged $73 a ton, up almost $4 since January and February. Prices probably will continue firm this spring and summer, but they should average well below prices in May-September 1968. With the lower soybean loan rate becoming effective in September, assuming a normal growing season, seasonally lower meal prices are in prospect when new crop beans become available this fall.

Cottonseed meal prices have declined since winter and are well below those of a year ago. Prices of 41% protein, expeller at Memphis, have fallen to around $60 a ton, $9 less than those in January and $18 below a year ago. Prices likely will not fluctuate much this summer, averaging well below the $78-level of May-September 1968. Through mid-May, CCC accepted tenders on about 119,000 tons from crushers; this will tend to stabilize prices until the new cottonseed crop is harvested.

Fish meal prices have risen sharply since early April. Prices at New York averaged $159 per ton in early May, up $30 since last October and November. During the winter, they were very stable at around $140. The recent jump in price has been largely due to dwindling supplies during the dock strike accompanied by a strong demand for poultry feeds, and some uncertainty as to future fish meal supplies.

Tankage and meat meal prices have strengthened in recent weeks but remain below those of last fall and winter. For example, Chicago's meat meal has been around $80-$88 per ton this spring, compared with $97 last October. Prices of tankage and meat meal are much lower this spring in relation to fish meal than a year ago (table 23).

Prices of the grain protein feeds have weakened considerably from their peak levels of the past winter. Gluten feed (21%, Chicago) was $42 in April, $8 under its January price. Like gluten feed, brewers' and distillers' dried grain prices also have weakened from their winter highs.

Table 22.--Urea: Distribution of domestic production and sales, United States, 1956-67 1/

Calendar year	Total, all urea		Feed 2/		Fertilizer, sold and liquid		Other 3/	
	Production	Sales	Production	Sales	Production	Sales	Production	Sales
	1,000 tons							
1956	420.9	373.6	4/63.0	4/60.0	247.2	215.9	4/110.7	4/97.7
1957	480.2	448.2	68.2	65.1	292.1	276.0	119.9	107.1
1958	530.6	495.0	74.8	4/73.8	364.5	345.8	91.3	4/75.5
1959	630.6	576.5	4/85.0	80.9	444.1	413.7	4/101.6	81.9
1960	734.5	706.5	95.0	94.6	548.4	547.6	91.1	64.3
1961	921.8	889.0	101.5	107.4	734.5	707.7	85.8	73.9
1962	1,010.0	967.0	111.4	114.1	807.7	789.3	90.9	63.6
1963	1,091.4	1,014.9	126.4	129.6	854.2	813.0	110.8	72.3
1964	1,209.9	1,142.5	119.4	129.0	981.1	942.6	109.4	70.9
1965	1,286.5	1,233.4	150.5	152.6	1,018.0	1,000.4	118.0	80.4
1966 5/	1,716.4	1,631.7	193.0	192.0	1,359.4	1,329.9	164.0	109.8
1967 5/	2,091.2	1,896.3	230.9	232.9	1,700.3	1,546.2	160.0	117.2

1/ For comparability, all data are shown on basis of 46% nitrogen content. Feed urea normally contains 42% or 45% nitrogen. 2/ Understates actual quantities fed as data excludes unknown quantities of imported and domestically produced fertilizer grade used in feed. 3/ Plastics and other industrial uses. 4/ Estimated; data not reported separately. 5/ Preliminary.

Compiled from reports of the U.S. Tariff Commission.

Table 23.--Prices of specified byproduct feeds, October-May, 1967/68 and 1968/69 1/

Period	Soybean meal, 44% protein, Decatur		Cottonseed meal, 41% protein, Memphis		Meat meal, 50% protein Chicago		Fish meal, 60% protein, New York		Gluten feed, 21% protein, Chicago		Wheat middlings, Minneapolis	
	1967/ 1968	1968/ 1969	1967/ 1968	1968/ 1969	1967/ 1968	1968/ 1969	1967/ 1968	1968/ 1969	1967/ 1968	1968/ 1969	1967/ 1968	1968/ 1969
	Dollars per ton											
October	71.80	78.20	76.10	66.20	87.00	97.00	124.30	129.20	46.80	42.80	44.20	38.10
November	71.90	73.50	76.60	65.60	82.80	94.40	121.40	129.60	49.20	46.00	45.60	44.40
December	73.40	71.60	78.10	67.80	81.60	91.00	121.00	135.20	51.00	49.20	45.90	49.10
January	75.10	69.80	77.90	68.40	88.70	92.80	120.20	140.20	53.20	50.00	44.30	47.80
February	74.50	69.90	77.60	64.60	84.40	88.80	119.00	141.00	48.50	48.50	40.90	42.50
March	75.00	72.60	76.20	62.50	85.30	80.90	115.70	140.50	45.70	43.50	41.40	38.70
April	74.60	73.30	77.00	61.70	86.70	84.80	115.00	145.00	43.20	42.00	38.10	41.90
April 1	74.00	71.50	76.50	62.75	87.50	82.50	115.00	140.00	44.00	42.00	39.50	43.00
8	74.50	72.00	76.50	62.75	87.50	83.75	115.00	143.00	44.00	42.00	39.00	44.00
15	74.00	74.50	76.50	62.50	87.50	85.00	115.00	143.00	44.00	42.00	37.00	45.50
22	75.50	74.75	---	61.00	85.00	85.00	115.00	149.00	42.00	42.00	36.50	43.00
29	75.00	73.75	78.00	59.50	86.25	87.50	115.00	150.00	42.00	42.00	38.50	34.00
May 6	74.50	74.50	77.50	59.00	90.00	87.50	126.00	159.00	42.00	40.00	39.00	32.50
13	74.50	75.50	77.50	59.00	90.00	87.50	129.50	159.00	42.00	40.00	40.50	31.50

1/ Wholesale prices, bulk, except fish meal which are bagged basis. Prices are for Tuesday of each week.

CORN--"FREE" SUPPLIES AND THEIR INFLUENCE ON PRICES

Jack Ross

What Are "Free" Supplies?

"Free" supplies of corn consist of the volume owned by the private sector at a given time. They are computed as the difference (residual) between Government (CCC owned and under loan, including resealed corn) and the total supplies in all positions reported by the Department's Statistical Reporting Service. Total supplies (or stocks) are estimated quarterly as of October 1, January 1, April 1, and July 1. Data on corn owned by CCC and under loan are reported monthly.

Although corn or other grain under loan to the Government is farmer owned and controlled, it is not included in the "free" category. During the past 25 years, much of the corn placed under loan has been resealed or delivered to CCC at the end of the loan period. The bulk of the corn resealed has eventually been delivered to the Government. Nevertheless, corn under loan can be withdrawn and placed into the market at any time.

Often, the terms "free" supplies and "free" stocks are interchangeable. "Free" supplies of corn at the beginning of the marketing year, for example, would be the "free" stocks (or carryover) of old corn on October 1 added to the new crop. Estimates of "free" supplies in the fall of the year are the most difficult to quantify because (1) the final estimate of the crop is not known until the third week in December, (2) some portion of the new crop will be placed under loan during the marketing season, (3) a substantial share of new-crop corn produced in the South can be moved into the market before October 1, and (4) in the late summer price support participants decide what to do with their old grain under loan--repay the loan, deliver the grain to CCC, or extend the loan (thus resealing their grain).

Computations of "free" supplies later in the year are usually more precise because an increasing proportion of the total is committed or accounted for as the season progresses.

At the end of the marketing season there is always a remaining cushion of "free" stocks, or "free" carryover. Over the past 3 decades, this has ranged from about 100 million to 450 million bushels, averaging 220 million. It has been unusually high during the past 3 years--ranging 400-450 million bushels.

A fairly low October 1 "free" carryover is indicated when "free" supplies on April 1 or July 1 are small in relation to expected domestic use and exports in the following months. When "free" supplies on these dates have been large relative to requirements, the surplus "free" supplies have frequently caused market weakness during the summer. In some years, however, such as 1965/66, market optimism can result in relatively high prices even with large "free" stocks.

Beginning "free" supplies (old "free" carryover plus the new crop) represent the quantity that is readily available to meet domestic use, exports, and "free" carryover. If beginning "free" supplies are below domestic use, exports, and "free" carryover, additional corn will have to come out of loan or out of Government holdings to meet these requirements.

If beginning "free" supplies are above total requirements, then a substantial quantity is likely to be placed under loan--much of which may be resealed or delivered to CCC at the end of the marketing year.

How Do "Free" Supplies Influence Prices?

Corn prices during a year obviously respond to such factors as crop progress, extent of domestic feed usage, export demand, and the prospective surplus above likely disappearance. However, within the range of market prices high enough to bring corn out of the Government reserve

Table 24.--Corn: Requirements versus "free" supplies, 1962-68 marketing years 1/

Year and item	Unit	Oct. 1	Jan. 1	Apr. 1	July 1	"Free" carryover Oct. 1
1962/63						
Requirements	Mil. bu.	3,895	2,846	1,683	765	
"Free" supplies	Mil. bu.	3,724	2,715	1,344	639	90
"Free" as % of requirements	Pct.	96	95	80	84	
1963/64						
Requirements	Mil. bu.	3,848	2,808	1,742	840	
"Free" supplies	Mil. bu.	4,109	2,970	1,712	905	237
"Free" as % of requirements	Pct.	107	106	98	108	
1964/65						
Requirements	Mil. bu.	3,875	2,729	1,659	747	
"Free" supplies	Mil. bu.	3,721	2,490	1,478	820	223
"Free" as % of requirements	Pct.	96	91	89	110	
1965/66						
Requirements	Mil. bu.	4,392	3,201	2,023	943	
"Free" supplies	Mil. bu.	4,307	3,053	1,882	1,044	403
"Free" as % of requirements	Pct.	98	95	93	111	
1966/67						
Requirements	Mil. bu.	4,135	2,854	1,891	919	
"Free" supplies	Mil. bu.	4,520	3,167	2,181	1,289	449
"Free" as % of requirements	Pct.	109	111	115	140	
1967/68						
Requirements	Mil. bu.	4,422	3,055	2,043	989	
"Free" supplies	Mil. bu.	5,209	3,701	2,445	1,432	448
"Free" as % of requirements	Pct.	118	121	120	145	
1968/69						
Requirements 2/	Mil. bu.	4,613	3/	2,086		
"Free" supplies	Mil. bu.	4,823	3/	1,941		
"Free" as % of requirements	Pct.	105	3/	93		

1/ "Free" supplies are privately owned; requirements are the total disappearance (domestic use plus exports) for the entire season and for the remaining portion of the season beginning with each quarter. For example, the 2,846 million bushels shown on January 1, 1963 is the total disappearance for January-September 1963.

2/ Based on May 1969 indications.

3/ Not yet available.

(CCC owned and under loan) and low enough to attract it into the reserve, the level of "free" supplies has strong influence.

When "free" supplies exceed market requirements (domestic use plus exports) prices tend to be low, usually falling below the loan rate, especially at harvesttime. When "free" supplies are below requirements, prices tend to be higher and prices may hold well above the loan level through the marketing year, frequently advancing as the marketing year progresses.

CCC sales of corn in some years prevented prices from rising, even though "free" supplies were below requirements. This occurred in 1961/62 when it was CCC's objective to reduce its large stocks. In some other years, "free" supplies have been supplemented by sales of corn going out of condition or sales under the Emergency Livestock Feed Program which also have tended to stabilize prices.

Market requirements in a given marketing season first are drawn from the "free" supplies. When requirements exceed "free" supplies, buyers must turn to Government stocks for their needs. They draw down these stocks in 2 ways: (1) Prices become high enough to encourage farmers to repay their Government loans and sell the grain into the market, and (2) buyers purchase grain directly from USDA's Commodity Credit Corporation.

"Free" supplies versus market requirements alone do not determine prices. But the balance between the 2 has an important bearing on price swings and levels--especially as prices relate to the loan rate. The following is a recap of corn prices received by farmers over the last 5 October-September marketing seasons and how they were influenced by "free" supplies and other factors.

1963/64 Season

In the 1963/64 season corn production was in excess of total requirements. However, there was optimism in the market, principally because of the marked rise in prices in the preceding year. Prices in 1962/63 rose from 99¢ in November to $1.21 the following September--a seasonal rise well above the 15% norm. This resulted from "free" supplies being below requirements making it necessary for buyers to purchase heavily from CCC since there was not enough corn in the market to meet their needs.

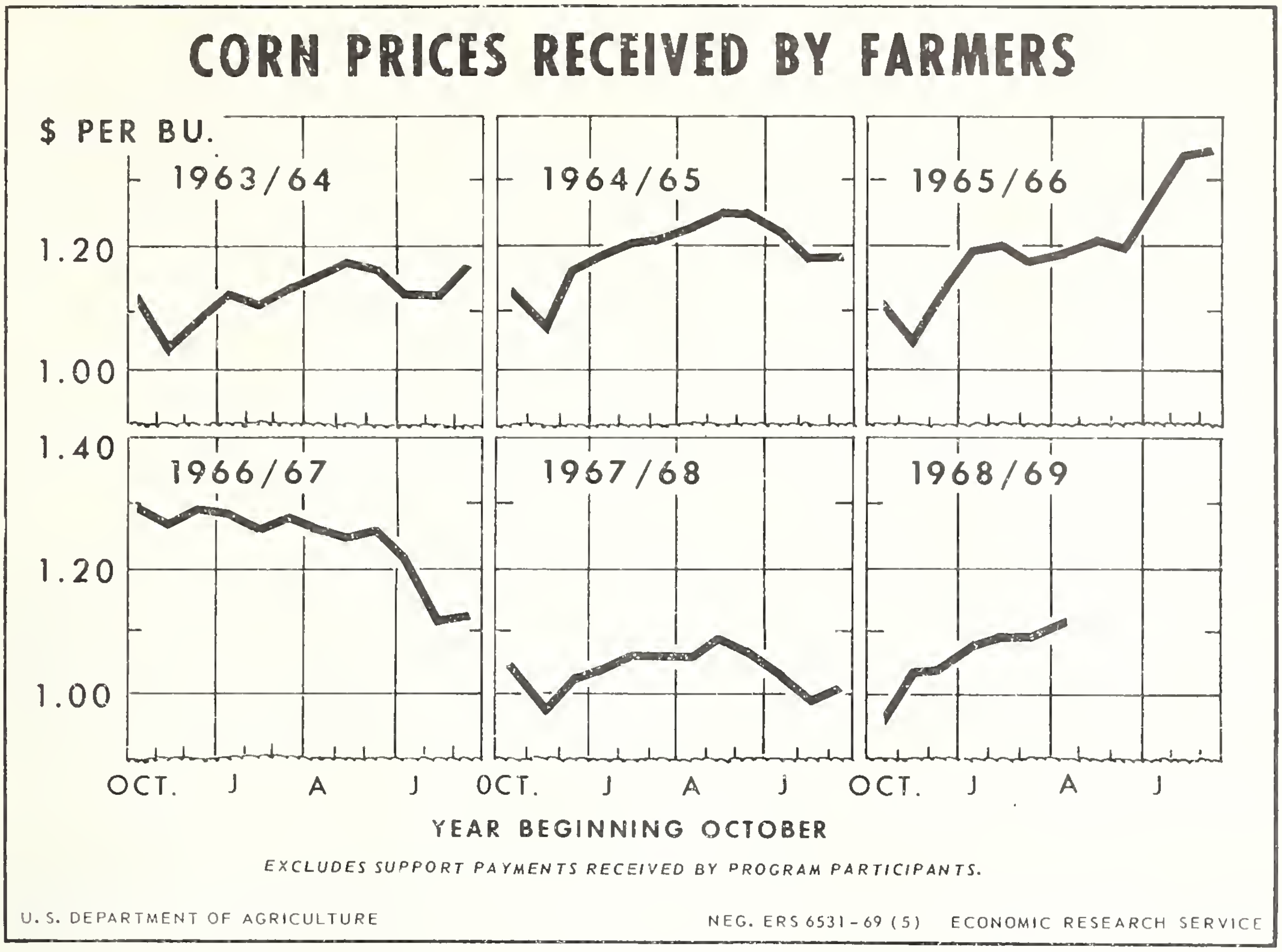
In the 1963/64 marketing year, prices started from a seasonal low of $1.05 in November then rose rather steadily to $1.17 in May (chart on page 29). But with more than ample "free" supplies, they weakened to $1.12 in July and August--usually the peak price months of a season. Unfavorable prospects for the 1964 crop that developed during the summer brought some price recovery in September, even though "free" carryover stocks increased to over 200 million bushels.

The 1963/64 season started out with "free" supplies being 7% above requirements and remained mostly above requirements throughout the season (table 24). Since "free" supplies were larger than needs, CCC sales dropped sharply from those in 1962/63. This also was the year that CCC sales policy was changed. In contrast to earlier years, CCC was not permitted to sell corn for unrestricted use at less than the 1963 loan rate plus carrying charges. The loan was lowered from $1.20 to $1.07. Monthly carrying charges of $1\frac{1}{2}$¢ beginning in November would result in a CCC sales price of around 10¢ to 14¢ above the loan by summer.

1964/65 Season

In 1964/65 low yields reduced the 1964 crop to 400 million bushels below 1963, resulting in moderately tight "free" supplies. Throughout most of the year, they were less than requirements and large CCC sales were made to satisfy market needs.

Prices started out from a seasonal low of $1.07 in November then rose sharply in the winter and spring, reaching a peak of $1.26 in May. Although prices were running well above those in 1963/64, they again weakened in July and August.


CORN PRICES RECEIVED BY FARMERS

EXCLUDES SUPPORT PAYMENTS RECEIVED BY PROGRAM PARTICIPANTS.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 6531-69 (5) ECONOMIC RESEARCH SERVICE

Table 25.--Corn prices received by farmers, 1962-68

Month	Year beginning October						
	1962	1963	1964	1965	1966	1967	1968
	Dollars per bushel						
October	1.03	1.11	1.13	1.10	1.29	1.04	.96
November	.99	1.05	1.07	1.04	1.26	.98	1.04
December	1.04	1.09	1.16	1.13	1.29	1.03	1.05
January	1.07	1.12	1.18	1.19	1.28	1.04	1.08
February	1.09	1.11	1.20	1.20	1.26	1.06	1.09
March	1.10	1.13	1.21	1.17	1.28	1.06	1.09
April	1.10	1.15	1.23	1.19	1.26	1.06	1.12
May	1.11	1.17	1.26	1.21	1.25	1.09	
June	1.16	1.16	1.25	1.20	1.26	1.07	
July	1.19	1.12	1.22	1.27	1.21	1.04	
August	1.19	1.12	1.18	1.34	1.11	.99	
September	1.21	1.17	1.18	1.35	1.12	1.01	
Season average price 1/	1.12	1.11	1.17	1.16	1.24	1.03	2/1.06

1/ Includes an allowance for unredeemed loans and purchase agreement deliveries valued at the average loan rate, by States. Excludes price support to program participants. 2/ Preliminary.

Even though July 1 "free" stocks at 110% of July-September market requirements were fairly tight after allowing for a minimum "free" carryover, summer price weakness probably was largely influenced by the likelihood of a big 1965 crop at that time. During August 1965, production was estimated at 4.1 billion bushels, about 550 million more than the small 1964 crop.

1965/66 Season

At the beginning, most factors pointed toward lower prices than in 1964/65.

Price weakness factors:

1. A bumper crop, up 550 mil. bu. to 4.1 bil.
2. A lower loan rate, down 5¢ to $1.05.
3. "Free" supplies appeared fully adequate to meet projected requirements. Thus, CCC sales probably would be comparatively light.
4. No prospective change in numbers of grain-consuming livestock.
5. Crop was of lower quality.

Price strengthening factors:

1. Exports projected at 10% increase.
2. Favorable livestock/feed price ratios anticipated.

But this turned out to be an unusual year for corn as well as other feed grains and concentrates. Corn prices started from their seasonal low of $1.04 in November (near the loan rate) and rose almost consistently until they reached $1.35 in September 1966. "Free" supplies were expected to be ample to meet the year's entire market requirements, and in the middle of the marketing season some price weakness was expected to occur. However, demand which was underestimated became even stronger. A strong speculative market developed and it became a seller's market.

Domestic consumption and exports moved briskly the first half of the season then rose at a faster pace in the last half. Thus, "free" supplies eventually became less than adequate and buyers again turned heavily to CCC for corn to meet their needs.

The 1965/66 marketing year brought 2 significant events: (1) Exports of corn jumped 20% above a year earlier to 687 million bushels--a record which still stands and (2) the hog/corn price ratio reached a record high (22.9 in January 1966). These 2 events, along with strong speculative demand and prospects for a smaller 1966 crop, contributed to the sharp June to August price rise--even though farmers and the trade held over 400 million bushels of corn in "free" carryover stocks.

1966/67 Season

The 1966/67 marketing year was also unusual for price movements. The optimism of 1965/66 continued through the first 9 months (October-June) of 1966/67. Prices narrowly ranged between $1.25 and $1.29. There was no seasonal drop in prices at harvesttime.

"Free" supplies, which were considered short early in the year, turned out to be in excess of requirements. The relative high price level of the first 9 months was closely tied to the "bull market" of 1965/66. Buyers and sellers anticipated a continuation of strong demand and expected tight supplies later in the year.

An unusually large increase of 9 million grain-consuming livestock from 1965/66 may have contributed to a higher price level during the first 9 months. But the rate of feeding per animal unit dropped sharply from 1965/66 and corn feeding fell 2%.

Not until late spring did it become obvious that "free" corn was in excess of requirements. Prices broke sharply during the summer, dropping from $1.26 in June to $1.11 in August. July 1 "free" corn was estimated at 40% above requirements for July-September; on that date of the previous 3 years it had been 8-11% above requirements. These large "free" supplies were accompanied by prospects for a bumper 1967 crop.

1967/68 Season

Prices in the first 8 months of 1967/68 were close to those of a normal seasonal pattern. After a low of 98¢ in November, they rose to a peak of $1.09 in May. But for the fourth time in 5 years, prices weakened during the summer.

"Free" supplies on October 1, January 1, and April 1 were estimated at around 20% above total requirements. July 1 stocks jumped to 45% above the July-September requirements. These large "free" supplies again contributed to a 10¢ drop from May to August. In addition, crop reporters indicated prospects for another large crop, although a little smaller than 1967 production.

Current 1968/69 Season

In some ways, the 1968/69 marketing year started out similar to that of 1965/66.

Some 1968/69 price-making factors similar to 1965/66:

1. Crop again appears to be less than domestic and export needs; in 1965/66 production was about 300 million bushels below these needs.
2. Livestock/feed price ratios are favorable.
3. Exceptionally strong domestic demand; corn as well as other feedstuffs are being fed to livestock at record rates.
4. "Free" supplies have tightened more than earlier expectations; on April 1 they were below April-September estimated requirements.
5. Same loan rate--$1.05.
6. Prices this year advanced 16¢ a bushel from October to April compared with a 15¢ rise in 1965/66.

Some principal differences between 1968/69 and 1965/66:

1. A smaller 1968 crop, down 8% from 1967, versus bumper 1965 crop, 17% over 1964.
2. A 5 million-unit increase in grain-consuming animals versus practically no change in 1965/66.
3. Weak foreign demand for U.S. corn versus very strong demand in 1965/66.
4. Excellent quality crop versus lower quality in 1965.
5. CCC owns substantially less corn than in 1965/66 and CCC's current disposition price is higher because of changes in the program. CCC's May general sales price at McLean County, Ill., is a minimum $1.51½ a bushel for unrestricted use. CCC sales so far this year have been quite small compared with heavy dispositions in 1965/66. Thus, CCC sales probably will not be a market factor this season.
6. Farmers currently have about 800 million bushels under loan, about 270 million more than in 1965/66.
7. Heavy wheat feeding competing with corn because of relatively low wheat prices.

Corn Price Outlook This Summer

Prices this summer probably will continue strong, but further increases will be limited by the large quantity under loan (which is still farmer controlled). On May 1, there were 717 million bushels under loan which farmers could redeem at approximately $1.08 to $1.12 between now and July. This is an ample amount to meet additional requirements in May-September. Another 83 million bushels under reseal are available for the market but at higher repayment costs of approximately $1.18 for 43 million and $1.27 for 40 million.

The main key to prices this summer is held by farmers having corn under loan--how they react to the development in prices, how much and how rapidly they move to repay their loans. But, as usual, sellers and buyers of corn will be closely watching the progress of the 1969 crop.

* * * * * * *

Table 26.--Feed grains: Domestic use and exports, October-March and April-September, United States, 1962-68

Year beginning October	Corn		Grain sorghum		Oats		Barley		4 feed grains	
	Domestic use	Exports 1/	Domestic use	Exports 1/	Domestic use	Exports 1/	Domestic use	Exports 1/	Domestic use	Exports 1/
	Million bushels								Million tons	
1962-66 av.										
Oct.-Mar.	1,956	273	355	88	413	8	170	30	75.4	11.0
Apr.-Sept.	1,541	258	147	90	477	10	175	33	59.1	10.7
Total	3,497	531	502	178	890	18	345	63	134.5	21.7
1965										
Oct.-Mar.	2,001	368	391	123	370	15	161	37	76.8	14.9
Apr.-Sept.	1,704	319	191	143	482	22	162	38	64.6	14.2
Total	3,705	687	582	266	852	37	323	75	141.4	29.1
1966										
Oct.-Mar.	1,978	266	440	140	386	8	168	17	77.9	11.9
Apr.-Sept.	1,670	221	174	108	449	8	178	26	63.1	10.0
Total	3,648	487	614	248	835	16	346	43	141.0	21.9
1967										
Oct.-Mar.	2,038	341	380	103	336	3	151	16	76.7	12.9
Apr.-Sept.	1,750	293	165	63	435	5	187	5	65.1	10.1
Total	3,788	634	545	166	771	8	338	21	141.8	23.0
1968 2/										
Oct.-Mar.	2,297	230	441	44	379	3	168	5	86.8	7.8

1/ Includes grain equivalent of products.
2/ Preliminary.

Table 27.--Feed grains: Receipts at primary markets, January-April 1969 with comparisons

Item	April				1969			
	Average 1962-66	1966	1967	1968	January	February	March	April
	1,000 bushels							
Corn, 13 markets 1/	39,075	34,715	23,104	18,059	14,683	15,737	16,968	15,415
Oats, 13 markets 1/	3,909	7,625	3,037	2,387	2,043	4,220	4,069	3,328
Barley, 4 markets 2/	11,587	12,718	11,933	7,576	5,118	8,354	10,486	8,599

1/ Chicago, Milwaukee, Minneapolis, Duluth, St. Louis, Kansas City, Peoria, Omaha, Indianapolis, Sioux City, St. Joseph, Wichita and Toledo.
2/ Minneapolis, Milwaukee, Chicago and Duluth

Table 28.--Feed grains: Total stocks and stocks owned by CCC, quarterly, 1964 to date

Year	Total stocks 1/				Owned by CCC 2/			
	January 1	April 1	July 1	October 1	January 1	April 1	July 1	October 1
	1,000 bushels							
	CORN							
1965	3,874,880	2,805,236	1,893,457	1,147,090	835,418	693,495	484,305	540,410
1966	4,041,338	2,863,293	1,782,860	840,243	529,940	440,081	279,663	147,568
1967	3,677,387	2,714,987	1,742,975	823,230	118,521	153,370	143,244	138,758
1968 3/	4,257,324	3,204,674	2,177,018	1,162,255	137,977	136,861	136,330	182,306
1969 3/	*	3,011,077			260,519	257,431		
	GRAIN SORGHUM							
1965	951,847	767,901	657,241	565,535	587,274	551,373	565,541	539,558
1966	978,060	724,143	532,873	391,201	493,156	412,499	419,949	328,625
1967	821,040	526,490	335,533	243,900	290,205	230,552	195,268	193,131
1968 3/	732,367	517,037	368,127	289,093	192,656	191,726	191,542	192,469
1969 3/	*	543,465			192,447	192,223		
	OATS							
1965	692,240	460,582	276,508	918,731	32,515	30,934	42,151	44,353
1966	762,470	535,613	316,206	833,935	40,898	37,823	50,573	52,540
1967	661,875	442,462	270,286	781,853	46,723	42,112	47,796	45,822
1968 3/	653,181	445,205	272,684	927,791	45,106	44,977	45,206	45,783
1969 3/	*	546,534			45,916	45,922		
	BARLEY							
1965	300,637	199,300	99,521	387,334	22,625	20,889	19,514	19,151
1966	300,812	193,135	104,763	388,461	17,638	11,264	10,839	8,738
1967	294,364	207,161	121,772	381,480	7,245	6,254	5,937	5,753
1968 3/	303,179	218,358	137,668	442,748	5,655	5,673	5,868	6,442
1969 3/	*	277,099			6,506	6,600		

1/ Stocks in all positions, including stocks on farms, at terminal markets, elevators and warehouses and Government-owned. 2/ Compiled from reports of the Agricultural Stabilization and Conservation Service. 3/ Preliminary. * Scheduled to be published in July.

Table 29.--Feed grains: Distribution of April 1 stocks, 1967-69

Year	Farm	Commodity Credit Corporation 1/	Terminal market, mill elevator and warehouse	Total
	1,000 bushels			
	CORN			
1967	2,043,897	98,279	572,811	2,714,987
1968	2,394,728	97,870	712,076	3,204,674
1969 2/	2,194,082	148,992	668,003	3,011,077
	GRAIN SORGHUM			
1967	133,178	4,624	388,688	526,490
1968	142,130	4,586	370,321	517,037
1969 2/	130,099	4,598	408,768	543,465
	OATS			
1967	354,567	6,864	81,031	442,462
1968	361,671	6,665	76,869	445,205
1969 2/	436,624	6,650	103,260	546,534
	BARLEY			
1967	114,921	4,523	87,717	207,161
1968	129,092	3,946	85,320	218,358
1969 2/	177,696	3,917	95,486	277,099

1/ In bins or other storage owned or controlled by CCC; other CCC-owned grain is included in stocks at other positions. 2/ Preliminary.

Table 30.--Production, stocks, and foreign trade in processed feeds, foreign trade in feed grains, and corn and barley processing, specified months 1/

Commodity	Production 1968 Mar.	1968/69 Dec.	 Jan.	 Feb.	 Mar.	Stocks 2/ 1968 Apr. 1	1969 Jan. 1	 Feb. 1	 Mar. 1	 Apr. 1
	1,000 tons					1,000 tons				
Processed feeds										
Soybean meal	1,155.3	1,234.0	1,170.9	1,060.1	1,276.3	214.7	197.2	228.4	216.5	178.0
Cottonseed meal	140.2	246.7	255.3	215.9	204.6	170.6	135.1	141.2	167.5	162.7
Linseed meal	22.2	22.5	27.0	22.4	21.0	3/	15.4	18.5	16.0	17.7
Peanut meal	17.1	12.3	13.5	13.8	14.1	3.1	5.6	7.7	9.8	8.3
Meat meal and tankage	166.9	158.8	176.3	162.8	165.7	---	---	---	---	---
Fish meal and solubles	4.8	11.8	3.2	4.2	4.9	---	---	---	---	---
Corn gluten feed and meal	141.2	3/	3/	3/	3/	---	---	---	---	---
Brewers' dried grains	27.8	25.1	24.8	24.5	30.3	2.2	3.6	2.6	2.5	4.0
Distillers' dried grains	39.9	35.1	38.9	37.7	40.4	5.6	2.1	2.3	2.7	2.6
Wheat millfeeds	390.0	374.1	362.4	335.1	367.9	---	---	---	---	---
Rice millfeeds	47.3	45.0	34.5	30.3	37.4	---	---	---	---	---
Alfalfa meal, dehydrated	27.5	11.7	3.1	13.4	22.7	299.1	559.7	425.7	315.9	217.8
sun-cured	28.9	33.7	30.1	27.5	26.0	20.2	12.5	8.9	7.1	6.2
Total	56.4	45.4	33.2	40.9	48.7	319.3	572.2	434.6	323.0	224.0
Inedible tallow	39.6	40.9	46.3	41.2	42.8	---	---	---	---	---

Commodity	Foreign trade Exports 1968 Mar.	1968/69 Dec.	 Jan.	 Feb.	 Mar.	Imports 1968 Mar.	1968/69 Dec.	 Jan.	 Feb.	 Mar.
	1,000 tons					1,000 tons				
Soybean meal	258.0	341.9	46.2	100.7	449.0	---	---	---	---	---
Cottonseed meal	.3	.2	.5	.4	.1	4.2	3.4	3.2	2.7	2.5
Linseed meal	1.4	0	0	.1	1.6	0	.1	.1	.2	.1
Other oilseed meals	5.0	7.9	3.9	4.7	5.0	.1	.2	0	.2	1.8
Fish meal	---	---	---	---	---	55.0	99.3	27.2	27.6	45.2
Molasses	11.3	.4	1.5	3.7	15.2	196.7	195.3	141.9	146.3	173.1
Corn byproducts	45.5	49.1	11.0	11.0	75.5	---	---	---	---	---
Wheat millfeeds	2.3	1.5	5.9	1.5	4.8	5.9	3.8	3.2	5.0	5.7
Alfalfa meal, dehydrated	11.8	11.5	19.1	33.3	11.3	---	---	---	---	---
sun-cured	6.9	22.5	9.3	24.3	9.8	---	---	---	---	---
Total	18.7	34.0	28.4	57.6	21.1	---	---	---	---	---
Mixed poultry feed	11.8	13.0	5.7	5.2	12.2	---	---	---	---	---
Mixed dairy feed	2.0	1.9	1.1	1.7	12.2	---	---	---	---	---
	1,000 bushels					1,000 bushels				
Feed grains (including products)										
Corn	55,786	61,210	3,234	16,767	51,451	60	142	90	95	56
Sorghum grain	13,607	11,664	4,018	4,011	7,817	2	0	0	0	10
Oats	668	352	366	302	544	261	234	232	210	228
Barley	2,876	530	66	77	669	129	1,495	254	169	100
Total (1,000 s. tons)	2,023	2,059	210	588	1,684	9	44	12	10	8

Commodity	Grain processing or use 1968 February	 March	1968/69 November	 December	 January	 February	 March
	1,000 bushels						
Corn							
Wet-processing	17,906	18,298	3/	3/	3/	3/	3/
Distilled spirits & alcohol	2,964	3,119	3,044	2,818	3,262	3,136	*
Sorghum grain							
Distilled spirits & alcohol	293	304	288	219	281	252	*
Barley							
Malt liquors	7,109	8,381	6,988	7,363	7,436	7,362	9,081
Distilled spirits & alcohol	665	643	637	550	700	631	*

1/ Data compiled from reports of the Bureau of the Census, Consumer and Marketing Service, Fish and Wildlife Service of the Department of the Interior, and Dun and Bradstreet, New York. 2/ At processors' plants. 3/ Not reported. *Not yet available.

Index of Tables

Supplies and Utilization

	Table	Page
Feed concentrate balance, total and per animal unit, 1962-68	7	11
Feed concentrates consumed by livestock, semiannually, 1962-68	8	11
Grain-consuming and high-protein-consuming animal units, by kinds, 1962-68	10	13
Feed grains: Supply and utilization, 1962-68	4	6
Feed grains: Domestic disappearance and exports, October-March and April-September, 1962-68	26	32
Feed grains and hay: Production, disposition and sales, 1963-68	11	14
Individual feeds as a percentage of the total concentrate ration fed to milk cows, 1955-68	5	10
Grain and other concentrates fed to milk cows, 1955-68	6	10
Corn, grain sorghum and soybean meal: Exports to selected countries, 1966-68	17	20
High-protein feeds: Quantity fed per animal unit, 1960-68	18	22
Oilmeal: Supply and distribution, 1966-68	20-21	23
Byproduct feeds: Estimated use for feed, 1962-68	19	22
Feed grains and byproduct feeds: Production, stocks, foreign trade and wet processing, specified months	30	34

Prices and Price Ratios

	Table	Page
Statistical summary: Prices, indexes and price ratios	1	2
Feed grains: Prices at specified markets, October-May 1967/68 and 1968/69	9	13
Byproduct feeds: Prices at specified markets, October-May 1967/68 and 1968/69	23	25

Government Programs and Price Support Operations

	Table	Page
Feed grains, total: Base acreage and diverted acreage	12	16
Feed grains: Base acreage on signed farms and acreage diverted, 1964-69	13	17
Feed grains: Production and quantities placed under price support, 1961-68	14	17
Corn: Price support activity, monthly, 1966-68 crops	15	18
Corn and grain sorghum: Disposition of quantities placed under price support, 1964-67 crops	16	18

Stocks and Market Receipts

	Table	Page
Feed grain stocks: Government and "free", April 1, 1959-69	2-3	5
Feed grains: Distribution of April 1 stocks, 1967-69	29	33
Feed grains: Total stocks and owned by CCC, by quarters, 1964 to date	28	33
Feed grains: Receipts at primary markets, January-April 1969	27	32

Urea

	Table	Page
Distribution of domestic production and sales, 1956-67	22	25

Special Analysis of Corn Supplies and Prices

	Table	Page
"Free" corn supplies versus requirements, 1962-68 crops	24	27
Corn prices received by farmers, 1962-68 seasons	25	29

U.S. Department of Agriculture
Washington, D.C. 20250

OFFICIAL BUSINESS

POSTAGE & FEES PAID
United States Department of Agriculture

NOTICE

If you no longer need this publication, check here ☐ return this sheet, and your name will be dropped from the mailing list.

If your address should be changed, write the new address on this sheet and return the whole sheet to:

Automated Mailing List Section
Office of Plant and Operations
U.S. Department of Agriculture
Washington, D.C. 20250

FdS-229 The Feed Situation

☆ U. S. GOVERNMENT PRINTING OFFICE : 1969 341-759 (ERS-242)